



# Transaction Processing Rules

11 December 2014

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## Applicability of Rules in this Manual

### Applicability of Rules in this Manual

This manual contains Rules for the MasterCard, Maestro and Cirrus brands. The Rules relate to Activity conducted pursuant to a License that MasterCard grants to a Customer for use of one or more of these brands. If a particular brand or brands is not mentioned in a Rule, then the Rule applies to all three brands.

The Rules in this manual pertain to the processing of Transactions. As used herein, a Transaction means a transaction resulting from the use of a MasterCard, Maestro, or Cirrus Card, as the case may be.

The below table describes the applicability of the Rules for particular types of Transactions. Please note that the term "POS Transaction" refers to a Transaction that occurs at a Merchant location, whether in a Card-present environment at an attended or unattended POS Terminal, or in a Card-not-present environment. In a Card-not-present environment, this may include electronic commerce ("e-commerce"), mail order, phone order, or recurring payment Transactions.

<b>Rules relating to...</b>	<b>Apply to...</b>
MasterCard POS Transactions	A POS Transaction conducted with a MasterCard Card.
Maestro POS Transactions	A POS Transaction conducted with: <ul style="list-style-type: none"> <li>• A Maestro Card, or</li> <li>• A MasterCard Card issued using a BIN identified by the Corporation as "Debit MasterCard" and routed to the Single Message System.</li> </ul>
ATM Transactions	A Transaction conducted with a MasterCard, Maestro, or Cirrus Card at an ATM Terminal and routed to the Interchange System.
Manual Cash Disbursement Transactions	A cash withdrawal Transaction conducted at a Customer financial institution teller with: <ul style="list-style-type: none"> <li>• A MasterCard Card, or</li> <li>• A Maestro or Cirrus Card at a PIN-based In-Branch Terminal and routed to the Interchange System.</li> </ul>
MasterCard Electronic Transactions	A POS Transaction conducted with a MasterCard Electronic Card at a MasterCard Electronic Merchant.

Rules relating to...	Apply to...
MasterCard Mobile Remote Payment (MMRP) Transactions	A POS Transaction performed by an enrolled consumer using a mobile device registered by the Issuer or its Service Manager and having MasterCard Mobile Remote Payment functionality. The consumer, as a MasterCard or Maestro Cardholder, initiates and authenticates payments by entering a PIN or mobile-specific credentials on the mobile device.
Payment Transactions	A Transaction that transfers funds to an Account. A Payment Transaction is not a credit that reverses a previous purchase. Includes MoneySend Payment Transactions.

### Modifying Words and Acronyms

From time to time, the meanings of the above terms are modified by the addition of another word or acronym. For example, a Debit MasterCard POS Transaction means a Transaction resulting from the use of a Debit MasterCard Card at the point of sale (POS). However, for ease of use, not every modifying term is defined. While MasterCard alone interprets and enforces its Rules and other Standards, these *Transaction Processing Rules* endeavor to use defined terms and other terms and terminology in a plain manner that will be generally understood in the payments industry.

### Variations and Additions to the Rules for a Geographic Area

Variations and/or additions (“modifications”) to the Rules are applicable in geographic areas, whether a country, a number of countries, a region, or other area. In the event of a conflict between a Rule and a variation of that Rule, the modification is afforded precedence and is applicable. The Rules set forth in this manual are Standards and MasterCard has the sole right to interpret and enforce the Rules and other Standards.

## Summary of Changes, 11 December 2014

The below table reflects changes included in this update of the *Transaction Processing Rules* manual.

Description of Change	Where to Look
Replacement of "POI Terminal" with "Terminal"	Throughout the manual
<b>Balance Inquiries</b> See "Revised Standards—ATM Services Mandate—Best Practices," <i>Europe Region Operations Bulletin</i> No. 7, 1 July 2014.	Chapter 2
<b>Authorization of Card-Not-Present Transactions</b> U.S. Region Rule added effective 17 October 2014; see "Revised Standards for Declined Card-Not-Present Transaction Authorization Requests," <i>U.S. Region Operations Bulletin</i> No. 3, 1 April 2014.	Chapter 3
<b>Merchant Acceptance Procedures</b> <b>Obtaining an Authorization for a MasterCard POS Transaction</b> <b>Capture Card Response</b> Revised to clarify that the Card retention requirement only applies in a face-to-face Transaction environment and does not apply to Contactless Payment Devices.	Chapter 3
<b>Maestro Cardholder Verification—PIN and Signature Requirements</b> See "Termination of the Maestro Issuer Assurance Plan," <i>Global Operations Bulletin</i> No. 11, 3 November 2014.	Chapter 3
<b>MasterCard Manual Cash Disbursement Acceptance Procedures</b> Revised to state that the requirement to request a personal identification does not apply if a non-signature CVM has been obtained.	Chapter 3
<b>POI Currency Conversion</b> Revised to clarify that the currency chosen by the Cardholder must be indicated as the Transaction currency in DE 49 of Transaction <u>authorization and clearing</u> messages (underlined text added).	Chapter 3

Description of Change	Where to Look
<b>Providing a Transaction Receipt</b>  See "Revised Standards for Transaction Receipts," <i>Global Operations Bulletin</i> No. 8, 1 August 2014.	Chapter 3
<b>Providing a Transaction Receipt</b>  <b>POS Transaction Receipt Requirements</b>  See "Revised Standards for Transaction Receipts," <i>Global Operations Bulletin</i> No. 8, 1 August 2014.  Also removed requirement to provide the Acquirer's outlet identifier, and instead stated that the Merchant name and address must be provided as it appears in DE 43 (Card Acceptor Name/ Location). Also removed reference to the optional provision of a VAT registration number; refer to VAT Indicator in Table IP0028T1 (Country Codes) of the IPM MPE file.	Chapter 3
<b>MasterCard Contactless Transactions</b>  <b>Contactless M/Chip Transaction Offline Authorization Limit Amounts</b>  See "Revised Standards for Contactless and Quick Payment Service Transactions in the United Kingdom," <i>Global Operations Bulletin</i> No. 8, 1 August 2014.	Chapter 4
<b>Purchase with Cash Back Transactions</b>  See "Reorganization of Geographic Areas in Rules Manuals," <i>Global Operations Bulletin</i> No. 8, 1 August 2014.	Chapter 4
<b>Merchant-approved Maestro POS Transactions</b>  See "Rules Alignment and Simplification—Maestro Merchant-approved Transactions," <i>Europe Region Operations Bulletin</i> No. 11, 3 November 2014.	Chapter 4
<b>PIN-less Single Message Transactions</b>  Definition of PIN-less Single Message Transaction added; see "PIN-less Single Message Transactions in the United States Region," <i>U.S. Region Operations Bulletin</i> No. 3, 16 January 2013.	Chapter 4

Description of Change	Where to Look
<p><b>E-commerce Transactions—Issuer Requirements</b></p> <p>See “Revised Standards for Debit Card e-Commerce Enablement in San Marino,” <i>San Marino Operations Bulletin</i> No. 1, 1 July 2014; and “Revised Standards for Debit Card e-Commerce Enablement in San Marino,” <i>San Marino Operations Bulletin</i> No. 1, 1 July 2014.</p>	Chapter 5
<p><b>Payment Transactions</b></p> <p>Modified effective 17 October 2014; see “Revised MasterCard MoneySend Rules and Requirements,” <i>Global Operations Bulletin</i> No. 2, 3 February 2014.</p> <p>Modified effective 11 April 2014; see “Clarification of Revised Standards for Payment Transaction and MoneySend Payment Transaction Requirements,” <i>Global Operations Bulletin</i> No. 10, 1 October 2013.</p>	Chapter 6
<p><b>MoneySend Payment Transactions</b></p> <p>Modified effective 11 April 2014; see “Clarification of Revised Standards for Payment Transaction and MoneySend Payment Transaction Requirements,” <i>Global Operations Bulletin</i> No. 10, 1 October 2013.</p> <p>Modified effective 17 October 2014; see “Revised MasterCard MoneySend Rules and Requirements,” <i>Global Operations Bulletin</i> No. 2, 3 February 2014.</p> <p>Please note that these changes will be reflected in the next update of the <i>MoneySend Program Guide</i>, to which the majority of the MoneySend Payment Transaction Rules will be moved.</p>	Chapter 6
<p><b>Contactless Payment Functionality</b></p> <p>See “New Standards for Migration to MasterCard Contactless Reader Specification Version 3.0” and “New Standards for Proximity Coupling Devices in New Contactless Readers,” <i>Global Operations Bulletin</i> No. 11, 3 November 2014.</p>	Chapter 7

Description of Change	Where to Look
<p><b>POS Terminal Requirements</b></p> <p><b>Contactless Payment Functionality</b></p> <p>Throughout, “PayPass version 3.0” has been replaced with “MCL version 3.0”. Also see:</p> <ul style="list-style-type: none"> <li>• “Contactless to Become Standard in Payments Acceptance,” <i>Europe Region Operations Bulletin</i> No. 7, 1 July 2014;</li> <li>• “PayPass 3.0 Reader Configuration Requirements—Correction,” <i>Europe Region Operations Bulletin</i> No. 7, 1 July 2014.</li> <li>• “Contactless to Become the Standard in Payments Acceptance,” <i>Germany Operations Bulletin</i> No. 2, 15 May 2014;</li> <li>• “MasterCard Introduces a Mandate for Contactless Payments Acceptance,” <i>Bulgaria Operations Bulletin</i> No. 1, 23 June 2014.</li> <li>• “MasterCard Introduces a Mandate for Contactless Payments Acceptance,” <i>Montenegro Operations Bulletin</i> No. 1, 23 June 2014.</li> <li>• “MasterCard Introduces a Mandate for Contactless Payments Acceptance,” <i>Serbia Operations Bulletin</i> No. 1, 23 June 2014.</li> <li>• “MasterCard Introduces a Mandate for Contactless Payments Acceptance,” <i>Romania Operations Bulletin</i> No. 1, 7 July 2014.</li> </ul>	Chapter 7
<p><b>POS Terminal Requirements</b></p> <p><b>Mobile POS (MPOS) Terminals</b></p> <p>See “Revised Standards for Mobile Point-of-Sale Terminals,” <i>Global Operations Bulletin</i> No. 9, 2 September 2014.</p>	Chapter 7
<p><b>ATM Terminal and PIN-based In-Branch Terminal Requirements</b></p> <p>See “Revised Standards—Acquirer Limits for ATM Withdrawals,” <i>Ukraine Operations Bulletin</i> No. 1, 26 June 2014. Also revised to indicate that PIN unblock functionality must be supported (for all applicable countries).</p>	Chapter 7
<p><b>Asia/Pacific Region</b></p> <p>See “Reorganization of Geographic Areas in Rules Manuals,” <i>Global Operations Bulletin</i> No. 8, 1 August 2014.</p>	Appendix A



Description of Change	Where to Look
<b>Europe Region</b> Reunion is moving to the Europe Region from the South Asia/Middle East/Africa Region.	Appendix A
<b>Middle East/Africa Region</b> See "Reorganization of Geographic Areas in Rules Manuals," <i>Global Operations Bulletin</i> No. 8, 1 August 2014. In addition, Reunion is moving to the Europe Region.	Appendix A
<b>Contactless Transactions</b> See the following: <ul style="list-style-type: none"> <li>• "Revised Standards for Contactless Transit Aggregated Transactions," <i>Global Operations Bulletin</i> No. 10, 1 October 2014.</li> <li>• "Revised Standards for Digital Secure Remote Payment Transactions and Chargeback Processing," <i>Global Operations Bulletin</i> No. 8, 1 August 2014.</li> <li>• "Revised Standards for Digital Secure Remote Payment Transactions and Chargeback Processing—Clarification," <i>Global Operations Bulletin</i> No. 9, 2 September 2014.</li> </ul>	Appendix C
<b>CAT Transactions</b> See the following: <ul style="list-style-type: none"> <li>• "Revised Standards for Mobile Point-of-Sale Terminals," <i>Global Operations Bulletin</i> No. 9, 2 September 2014.</li> <li>• "Revised Standards for Cardholder-Activated Terminal 3 Devices," <i>Global Operations Bulletin</i> No. 9, 2 September 2014.</li> </ul>	Appendix D
<b>Definitions</b> See "Revised Standards for Digital Secure Remote Payment Transactions and Chargeback Processing," <i>Global Operations Bulletin</i> No. 8, 1 August 2014. See "Revised Standards for the Payment Facilitator and Service Provider Programs," <i>Global Operations Bulletin</i> No. 10, 1 October 2014.	Definitions

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## Chapter 1 Connecting to the Interchange System and Authorization Routing

*The following Standards apply with regard to connecting to the Interchange System and Authorization routing. Where applicable, modifications by region and/or country are provided at the end of this chapter in the section titled, "Variations and Additions by Region."*

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## Connecting to the Interchange System

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A Customer must maintain the necessary equipment and procedures to process Transactions and to connect to the Interchange System, using a telecommunications circuit established by the Interchange System that is equipped with back-up service. Before processing Transactions and on an ongoing basis thereafter, the Customer must perform testing and obtain any necessary certifications of its equipment, procedures, and Interchange System connections as may be required by the Corporation to ensure compatibility with its technical specifications then in effect.

Each Principal and Association must establish and maintain, at its own expense, a data processing facility that is capable of receiving, storing, processing, and communicating any Transaction sent to or received from the Interchange System, and may connect at least one data processing facility directly to the Interchange System. Such facility may be established and maintained by the Customer's parent, its wholly-owned subsidiary, or an entity that is wholly owned, directly or indirectly, by the Customer's parent, or with the prior written agreement of the Corporation, by the Customer's designated third party agent.

**NOTE** An addition to this Rule appears in the "United States Region" section at the end of this chapter.

## Acquirer Host System Requirements—U.S. Region Only

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**NOTE** A Rule on this subject appears in the "United States Region" section at the end of this chapter.

## Authorization Routing—MasterCard POS Transactions

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On an ongoing basis, an Acquirer of MasterCard POS Transactions must recognize all active MasterCard bank identification numbers (BINs) for purposes of obtaining Transaction authorizations, and obtain such authorizations on behalf of each of its Merchants as the Standards require. If the Acquirer uses Account range files provided by the Corporation for this purpose, such files must be loaded and functioning on the Acquirer's host system and available to its Merchants for use within six calendar days from the date that each updated file is distributed. Upon receipt of an updated Account range file from the Corporation, an Acquirer must confirm via an acknowledgement file that it updated its host systems accordingly. Alternatively, the Acquirer may submit all authorization requests containing an Account number with a BIN in the 510000 to 559999 range to the Interchange System for routing to the Issuer.

## Authorization Routing—Maestro POS, ATM Terminal, and PIN-based In-Branch Terminal Transactions

---

An Acquirer of Maestro POS Transactions, ATM Transactions, and/or Manual Cash Disbursement Transactions occurring at PIN-based In-Branch Terminals may default route to the Interchange System any such Transaction not belonging to its proprietary network. The Interchange System determines whether or not the Transaction is being performed by a Cardholder.

An Acquirer that does not default route such Transactions to the Interchange System must recognize all active Account ranges that are included in the Corporation's Financial Institution Table (FIT) or Member Parameter Extract (MPE) files and must follow the Issuer's routing instructions, if any, set forth in those files. The Acquirer must ensure that the files are loaded and functioning on its host systems and available to its Merchants, ATM Terminals, and PIN-based In-Branch Terminals for use within six calendar days from the date that each updated file is distributed. Upon receipt of an updated file, the Acquirer must confirm to the Corporation via an acknowledgement file that it has updated its host systems accordingly.

**NOTE Modifications to this Rule appear in the "Additional U.S. Region and U.S. Territories" section at the end of this chapter.**

### Routing Instructions and System Maintenance

Each Customer or its Sponsor must:

1. Submit to the Corporation completed institution routing table (IRT) and institution definition file (IDF) input documents no later than five business days prior to the requested effective date of live processing via the Interchange System.
2. Notify the Corporation of any routing updates at least five business days before the effective date of the change. Expedited maintenance may be performed within two business days of such notice.
3. Notify the Corporation of any scheduled downtime at least 24 hours in advance.

**NOTE A variation to this Rule appears in the "United States Region" section at the end of this chapter.**

### Chip Transaction Routing

Any chip-based ATM Transaction or Maestro POS Transaction generated by a MasterCard-branded Application Identifier (AID) must be routed through the Interchange System, or as otherwise approved by the Corporation.

**NOTE A variation to this Rule pertaining to SEPA appears in the "Europe Region" section at the end of this chapter.**

## Domestic Transaction Routing

When a Card is used at an ATM Terminal or PIN-based In-Branch Terminal in the country in which such Card was issued and the only common brand appearing on both the Card and the ATM Terminal or PIN-based In-Branch Terminal is a Mark, the resulting Transaction:

1. Must be routed to the Interchange System; or
2. The Issuer of the Card must report and pay a Brand Fee for such Transaction.

This provision does not apply with respect to a Transaction for which the Issuer and Acquirer is the same Customer (an “on-us” Transaction).

**NOTE Variations to this Rule appear in the “Canada Region” and “United States Region” sections at the end of this chapter.**

## ATM Terminal Connection to the Interchange System

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Except as otherwise provided in the Standards, each Customer that acquires any ATM transactions must at all times make available for connection to the Interchange System, and in particular, the MasterCard ATM Network, all of the eligible ATM Terminals established by that Customer (including its parents, subsidiaries, affiliates, and Sponsored entities) in the country in which the Customer is located and in every other country in which it has been Licensed to conduct ATM Transaction acquiring Activity.

A Customer Licensed only to conduct ATM Transaction acquiring Activity must make at least 75 percent of the ATM Terminals it establishes available for connection to the Interchange System.

**NOTE Modifications to this Rule appear in the “Asia/Pacific Region,” “Canada Region,” “Europe Region,” “Latin America and the Caribbean Region,” and “United States Region” sections at the end of this chapter.**

## Gateway Processing

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The Interchange System may be used for the routing of ATM transactions and settlement of funds pursuant to terms governing a card that does not bear the any of the Corporation’s Marks if such card bears the mark of one of the following authorized Gateways:

1. PLUS System USA, Inc.
2. VISA USA, Inc.

The Interchange System technical specifications applicable to ATM Transactions apply to Gateway Processing. Error and dispute resolution is supported within Gateway Processing to the extent provided in the Standards that govern the individual Transaction. When a Gateway Customer uses the MasterCard ATM Network for Gateway Processing, error and dispute resolution requests must be processed in accordance with the *Chargeback Guide*.

The Principal that submits an ATM transaction to the MasterCard ATM Network for Gateway Processing is deemed to have consented to comply with all applicable Standards and to pay all applicable fees in connection with such transaction.

## POS Terminal Connection to the Interchange System

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**NOTE** Rules on this subject appear in the “Asia/Pacific Region” and “Latin America and the Caribbean Region” sections at the end of this chapter.

## Variations and Additions by Region

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The remainder of this chapter provides modifications to the Standards set out in this chapter. The modifications are organized by region or country and by applicable subject title.

### Asia/Pacific Region

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The following modifications to the Rules apply in the Asia/Pacific Region or in a particular Region country or countries. Refer to Appendix A for the Asia/Pacific Region geographic listing.

#### ATM Terminal Connection to the Interchange System

In the Asia/Pacific Region, the Rule on this subject is modified as follows.

A Customer that acquires ATM Transactions must make available for connection to the Interchange System at least 75 percent of its eligible ATM Terminals in the Region within one year of the approval of its application for a License.

#### POS Terminal Connection to the Interchange System

In the Asia/Pacific Region, a Customer that acquires POS Transactions must make available for connection to the Interchange System at least 75 percent of its eligible POS Terminals in the Region within one year of the approval of its application for a License.

### Canada Region

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The following modifications to the Rules apply in the Canada Region. Refer to Appendix A for the Canada Region geographic listing.



## **Authorization Routing—Maestro POS, ATM Terminal, and PIN-based In-Branch Terminal Transactions**

### **Domestic Transaction Routing**

In the Canada Region, the Rule on this subject is modified as follows.

When a Card issued in the Canada Region is used at an ATM Terminal or PIN-based In-Branch Terminal located in the Canada Region and the only common brand appearing on both the Card and ATM Terminal or PIN-based In-Branch Terminal is a Mark:

1. The resulting Transaction must be routed to the Interchange System; or
2. The Issuer receiving such Transaction must report and pay a Brand Fee for such Transaction.

This provision does not apply with respect to a Transaction for which the Issuer and Acquirer is the same Customer (an “on-us” Transaction) or any Transaction processed between:

1. A Principal (or its Third Party Processor) and one of its Affiliates (or its Third Party Processor), or
2. Two Affiliates (or their Third Party Processors) Sponsored by the same Principal.

### **ATM Terminal Connection to the Interchange System**

In the Canada Region, the Rule on this subject is modified as follows.

A Customer that acquires ATM Transactions must make available for connection to the Interchange System at least 75 percent of the eligible ATM Terminals established by it (including its parents, subsidiaries and affiliates) in each major Canadian metropolitan area in which at least 10,000 of its debit Cardholders reside. The Census Metropolitan Area (CMA) as defined by the Canadian government will be used as the measure.

## **Europe Region**

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The following modifications to the Rules apply in the Europe Region or in a particular Region country or countries. Refer to Appendix A for the Europe Region and Single European Payments Area (SEPA) geographic listing.

## **Authorization Routing—Maestro POS, ATM Terminal, and PIN-based In-Branch Terminal Transactions**

### **Chip Transaction Routing—SEPA only**

The Rule on this subject does not apply to Intra-SEPA Transactions.

### **ATM Terminal Connection to the Interchange System—SEPA Only**

Within SEPA, the Rule on this subject is modified as follows.

A Customer must at all times accept all MasterCard, Maestro, and Cirrus Cards at all ATM Terminals owned or established by that Customer (including its parents, subsidiaries, affiliates,

and Sponsored entities) within SEPA if it accepts cards issued under other acceptance brands at those ATM Terminals.

## Latin America and the Caribbean Region

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The following modifications to the Rules apply in the Latin America and the Caribbean Region. Refer to Appendix A for the Latin America and the Caribbean Region geographic listing.

### ATM Terminal Connection to the Interchange System

In the Latin America and the Caribbean Region, the Rule on this subject is modified as follows.

A Customer that acquires ATM Transactions must make available for connection to the Interchange System at least 75 percent of its eligible ATM Terminals in the Region within one year of the approval of its application for a License.

### POS Terminal Connection to the Interchange System

In the Latin America and the Caribbean Region, a Customer that acquires POS Transactions must make available for connection to the Interchange System at least 75 percent of its eligible POS Terminals in the Region within one year of the approval of its application for a License.

## United States Region

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The following modifications to the Rules apply in the United States (U.S.) Region. Refer to Appendix A for the U.S. Region geographic listing.

### Connecting to the Interchange System

In the U.S. Region, the Rule on this subject is modified as follows.

Connection to the Interchange System for Maestro POS Transaction and ATM Transaction processing is limited to Principals or their Designees. As used herein, "Designee" means an entity authorized by the Corporation to connect to the Interchange System.

### Acquirer Host System Requirements

An Acquirer in the U.S. Region must ensure that its POS Terminal host systems and those of its Service Providers:

1. Are capable of processing Contact Chip Transactions and Contactless Chip Transactions (including both MasterCard *PayPass*-M/Chip Transactions and MasterCard *PayPass* Magnetic Stripe Profile Transactions);
2. Support the transmission of Contact Chip Transaction and Contactless Chip Transaction messages in accordance with the Standards;

3. Support PIN (both online and offline), signature, and no Cardholder verification method (CVM) as CVM options for Chip Transactions, regardless of whether each Hybrid POS Terminal connected to the Acquirer host system supports all of these options;
4. Support all mandatory and applicable conditional data subelements within DE 55 (Integrated Circuit Card [ICC] System-Related Data); and
5. Have been approved by the Corporation, with respect to each Interchange System network interface, as enabled for Contact Chip Transaction and Contactless Chip Transaction processing.

## Authorization Routing—Maestro POS, ATM Terminal, and PIN-based In-Branch Terminal Transactions

### Routing Instructions and System Maintenance

In the U.S. Region, the Rule on this subject is modified as follows.

With respect to ATM Transaction processing, a Customer must provide the Corporation with written notification of downtime at least 48 hours before any regularly scheduled maintenance event and within five business days following the occurrence of an emergency maintenance event. Written notification must include the date of the maintenance; the times at which the maintenance commences and concludes; a brief description of the reason for the maintenance; and for an emergency event, a description of the actions taken to prevent a reoccurrence of the event.

	Scheduled Maintenance	Emergency Maintenance
Permissible Maintenance Time frame	01:00 to 05:00 (New York time)	Anytime
Maximum Hours per Month	10	4
Maximum Hours per Week	5	2
Maximum Hours per Day	2	1
Maximum Duration (in hours) of Event	2	1

### Domestic Transaction Routing

In the U.S. Region, the Rule on this subject is modified as follows.

When a Card issued in the United States Region is used at an ATM Terminal located in the United States Region for a Transaction other than the purchase of merchandise or a service, and a Mark is a common brand, but not the only common brand, appearing on both the Card and the ATM Terminal, the resulting Transaction must be routed to:

1. The interchange system specified by the Issuer; or

2. The Corporation's Interchange System, if the Issuer has not specified to the Corporation a different interchange system for Transaction routing.

### **ATM Terminal Connection to the Interchange System**

In the U.S. Region, the Rule on this subject is modified as follows.

A Customer that acquires ATM Transactions must make available for connection to the Interchange System at least 75 percent of the eligible ATM Terminals established by it (including its parents, subsidiaries and affiliates) in each major United States metropolitan area in which at least 10,000 of its debit Cardholders reside. The Metropolitan Statistical Area (M.S.A.) as defined by the United States government will be used as the measure.

### **Additional U.S. Region and U.S. Territory Rules**

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The following modifications to the Rules apply in the United States Region and in American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands (herein, "the U.S. Territories").

These Rules apply in addition to any that apply within the Asia/Pacific Region, with respect to Customers located in American Samoa, Guam, and Northern Mariana Islands; the Latin America and the Caribbean Region, with respect to Customers located in Puerto Rico and the U.S. Virgin Islands; and the United States Region, with respect to U.S. Region Customers.

### **Authorization Routing—Maestro POS, ATM Terminal, and PIN-based In-Branch Terminal Transactions**

In the U.S. Region and U.S. Territories, the Rule on this subject is modified as follows.

The Corporation offers Merchants located in the U.S. Region and U.S. Territories the option of routing POS transactions initiated with a debit card enhanced with Maestro functionality to the Corporation's Single Message System. The Acquirer of a Merchant located in the U.S. Region or a U.S. Territory must support the Maestro routing indicator fields MS ATM (position 54) and MS POS (position 55) in the 80-byte Financial Institution Table (FIT) file. These fields apply only when the Maestro Flag (position 42 in the FIT file) is **Y**. When the Maestro Flag is **N**, the Maestro routing indicator fields should be disregarded.

## Chapter 2 Authorization and Clearing Requirements

*The following Standards apply with regard to authorization processing and clearing requirements. Where applicable, modifications by region and/or country are provided at the end of this chapter in the section titled, "Variations and Additions by Region."*

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## Acquirer Authorization Requirements

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An Acquirer and each of its Merchants must support POS Transactions (authorized online by the Issuer or offline by the chip), dual message refund Transactions (if dual message processing is supported), and a full reversal when performed to cancel a POS Transactions that the Acquirer cannot complete due to a technical problem.

The Acquirer of a Merchant that accepts Maestro Cards must support Maestro POS Transactions that either automatically access the primary account or allow the Cardholder to choose to access the checking account or savings account ("account selection").

An Acquirer may also support, and its Merchants may optionally offer, the following Transaction and message types. An Acquirer that supports and any of its Merchants that offer an optional Transaction or message type must comply with the Rules applicable to the optional Transaction or message type that is supported or offered.

- Purchase with cash back Transactions (Debit MasterCard and Maestro only, unless otherwise specified for a country or Region)
- Merchant-approved Maestro POS Transactions
- Payment Transactions and MoneySend Payment Transactions
- Maestro POS Transaction preauthorization and completion (single message processing)
- Partial approval
- Balance response (prepaid only)
- Full reversal, including cancellation, and partial reversal (Merchant-initiated at the POS Terminal)
- POS balance inquiry (Debit MasterCard and Maestro only)
- Refund Transactions and/or corrections (single message and offline chip processing)

Refer to "Full and Partial Approvals and Account Balance Responses" for a requirement to support partial approval and balance response effective with Release 20.Q2.

If a Transaction that may be processed offline in accordance with published floor limits cannot be processed offline for any reason, the Transaction must be processed online; if the Transaction cannot be processed online, then the Transaction must be declined. A Single Message System Acquirer may clear offline Chip Transaction by transmitting the required Transaction data in an online Financial Advice/0220 message or as part of a batch notification.

**NOTE Modifications to this Rule appear in the "Asia/Pacific Region," "Europe Region," and "United States Region" sections at the end of this chapter.**

## Issuer Authorization Requirements

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An Issuer's host system interfaces must support online processing of purchase Transactions, refund Transactions, partial approval, balance response, reversal and correction, POS balance inquiry (if required in a country or Region), and Payment Transactions.

The Issuer of a debit Card Program or of a credit Card Program that provides cash access at ATM Terminals and PIN-based In-Branch Terminals:

1. Must support POS Transaction authorizations and preauthorizations from a debit Cardholder's primary account, checking account, and savings account.
2. Must ensure that its host system interfaces support access to cash withdrawals and the purchase of Merchandise with no account specified at ATM Terminals and PIN-based In-Branch Terminals.
3. Must offer cash withdrawal and Merchandise Transactions from no account specified to debit Cardholders and cash advances to credit Cardholders.
4. May offer, at its option, balance inquiry to checking, savings, and credit card accounts; transfers to and from checking and savings accounts; and (unless required in a country or region) MoneySend Payment Transactions.

A Chip Card Issuer that elects to process offline Chip Transactions must support offline purchase and refund Transactions. If an offline Transaction type is not offered to a Cardholder, the chip must send the Transaction online for authorization or decline the Transaction offline. An Issuer must accept a Chip Transaction cleared online by an Acquirer following an offline authorization.

In the event that an Issuer chooses not to offer a particular Transaction message type to its Cardholders, the Issuer must provide a value of 57 indicating "transaction not permitted to issuer/cardholder" in DE 39 (Response Code) of the online authorization message.

**NOTE Modifications to this Rule appear in the "Asia/Pacific Region" and "United States Region" sections at the end of this chapter.**

## Stand-In Processing Service

An Issuer is liable for all Transactions authorized (with or without PIN validation) using the Stand-In Processing Service, provided that the Interchange System correctly uses the Stand-In Parameters defined by the Corporation or the Issuer. The Issuer may establish Stand-In Processing Service PIN validation at its option.

For all of its **MasterCard Card Programs**, an Issuer must use the Stand-In Processing Service and the Stand-In Investigation Service (SIS). Stand-In Parameters for MasterCard (including Debit MasterCard) Card Programs must be set at or above the Corporation's default limits. For Debit MasterCard Card Programs, an Issuer may employ a blocking service which declines all Transaction authorization requests during Stand-In processing.

In the event that fraudulent activity is detected with respect to a BIN or BIN range, the Corporation, in its sole discretion and judgment, may take such action as the Corporation deems necessary or appropriate to safeguard the goodwill and reputation of the Corporation's Marks. Such action may include, by way of example and not limitation, declining some or all Transaction authorization requests received by the Stand-in Processing Service relating to the use of Cards issued under such BIN or BIN range.

For all of its **Maestro and Cirrus Card Programs**, an Issuer must use the Stand-In Processing Service. This requirement does not apply if the Issuer commenced its use of an alternative on-



behalf authorization service before 1 December 2003 and such service meets the Corporation's performance standards as set forth in "Performance Standards—Issuers" in this Chapter 2.

Stand-In Parameters for Maestro and Cirrus Card Programs must be set at or above the Corporation's default limits. An Issuer may employ a blocking service which declines all Transaction authorization requests during Stand-In processing for inactive BINs or in situations where Stand-In processing does not apply for regulatory reasons.

**NOTE Variations to this Rule appear in the "Europe Region" and "United States Region" sections at the end of this chapter.**

### **Accumulative Transactions Limits**

An Issuer at its option, may use daily Stand-In Processing Service Transaction limits ("accumulative limits") for a Card Program that are higher than the applicable default limits set by the Corporation. Refer to the Stand-In Processing Worksheet for Online Issuers (Form 041) for the minimum (default) daily accumulative Transaction processing limit applicable to a particular Card Program.

### **ATM Transaction Requirements for MasterCard Credit Card Issuers**

A MasterCard credit Card Issuer must maintain a 70 percent minimum ATM Transaction approval rate and manage individual denial category rates in compliance with the following Standards.

<b>Category</b>	<b>Maximum Denial Rate</b>	<b>Reason Codes</b>
Invalid PIN	13%	55
Insufficient Funds	10%	51
Invalid Transactions	14%	57
Exceed Limit	9%	61
Restricted Card	4%	62

The Issuer determines the maximum cash withdrawal limits applicable to its Cardholders; however, the Issuer must permit its MasterCard credit Cardholders to withdraw at least the equivalent of USD 200 daily if the available credit exists, and there is no other reason to deny the transactions.

To accommodate ATM Access Fees and currency conversions, the Issuer must authorize Transactions up to the equivalent of USD 10 or 10 percent, whichever is greater, more than the daily Transaction amount limit communicated to the Cardholder.

## Authorization Responses

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An Acquirer must comply with the authorization response wait time requirements set forth in “Maximum Response Times” in Chapter 2 of the *Single Message System Specifications* and in “Minimum Authorization Response Wait Time” in Chapter 4 of the *Authorization Manual*, as applicable.

An Issuer must comply with the authorization response requirements set forth in “Maximum Response Times” in Chapter 2 of the *Single Message System Specifications* manual and in “Routing Timer Values” in Chapter 5 of the *Authorization Manual*, as applicable. If the Issuer’s response is not received within the required time frame, then the Transaction will time out and be forwarded via Stand-In Processing System or another alternate authorization provider as specified by the Issuer.

## Performance Standards

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An Issuer or Acquirer that fails to meet the Corporation’s authorization performance standards may be subject to the following noncompliance assessments.

Occurrence	Penalty
First occurrence	USD 15,000
Second occurrence within the 12-month period following the first occurrence	USD 15,000
Third and any subsequent occurrence within the twelve (12)-month period following the second occurrence	USD 20,000

After completion of a full calendar year without any violations, a subsequent violation is counted as a first violation.

### Performance Standards—Acquirers

For Maestro POS Transactions and ATM Transactions, an Acquirer authorization failure rate that exceeds two percent for two consecutive months is deemed to be substandard authorization performance. The Acquirer failure rate is not applied until after the fourth calendar month of operation or upon processing 5,000 Maestro POS Transactions and/or ATM Transactions in a calendar month, whichever occurs first.

The Acquirer failure rate is calculated based on the monthly Transaction volumes processed through each Acquirer connection to the Interchange System and is calculated as the sum of

ISO 8583 response codes 13—invalid amount and 30—format error, divided by the total number of Processed Transactions.

## Performance Standards—Issuers

An Issuer must comply with the following authorization performance standards.

**NOTE Modifications to this Rule appear in the “Europe Region” and “United States Region” sections at the end of this chapter.**

### Issuer Failure Rate (Substandard Level 1)

For Maestro POS Transactions and ATM Transactions, an Issuer authorization failure rate that exceeds two percent for two consecutive months is deemed to be substandard level 1 performance. The Issuer failure rate is not applied until after the fourth calendar month of operation or upon processing 5,000 Maestro POS Transactions and/or ATM Transactions in a calendar month, whichever occurs first.

### Issuer Failure Rate (Substandard Level 2)

For Maestro POS Transactions and ATM Transactions, an Issuer authorization failure rate that exceeds three percent for two consecutive months is deemed to be substandard level 2 performance. The Issuer failure rate is not applied until after the fourth calendar month of operation or upon processing 5,000 Maestro POS Transactions and/or ATM Transactions in a calendar month, whichever occurs first.

### Calculation of the Issuer Failure Rate

The Issuer authorization failure rate for Maestro POS Transactions and ATM Transactions processed on the Single Message System is calculated by taking the sum of ISO 8583 response codes 91—destination processor not available, 91s—destination processor not available, and 96—system malfunction, and dividing by the total number of Transactions processed through the Issuer connection to the Interchange System.

The Issuer authorization failure rate for Maestro POS Transactions and ATM Transactions processed on the Dual Message System is calculated by taking the total number of Transactions declined due to Issuer unavailability, malfunction, or timeout divided by the total number of Transactions.

## Preauthorizations

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A Processed Transaction authorization request is properly identified as a preauthorization when DE 61 (Point-of-Service [POS] Data), subfield 7 (POS Transaction Status) contains a value of **4**.

The following applies with respect to Maestro POS Transaction preauthorizations. A preauthorization is performed to obtain the Issuer’s approval of an estimated or Cardholder-

requested Transaction amount, prior to submission of a request for authorization of the final amount.

1. The Acquirer must ensure that preauthorizations (in the physical environment) are initiated using a Card reader, with PIN or signature as the Cardholder verification method.
2. The Issuer must accept all preauthorization completions provided the actual amount of the completion is less than or equal to the amount approved in the preauthorization. Use of the PIN or signature and the use of the card reader are not required in the preauthorization completion.
3. If the Issuer does not receive a preauthorization completion within 20 minutes of the preauthorization, the preauthorization approval is void, except as provided for in “Merchant-approved Maestro POS Transactions” in Chapter 4.
4. The Acquirer is not responsible for preauthorization completions that occurred within two hours of the initial Transaction that were stored and forwarded because of technical problems between the Acquirer and the Interchange System, or the Interchange System and the Issuer.

**NOTE Modifications to this Rule appear in the “Asia/Pacific Region,” “Europe Region,” and “United States Region” sections at the end of this chapter.**

## Final Authorizations

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A Processed Transaction authorization request is properly identified as a final authorization when DE 61 (Point-of-Service [POS] Data), subfield 7 (POS Transaction Status) contains a value of **0** and DE 48 (Additional Data), subelement 61 (POS Data Extended Condition Codes), subfield 5 contains a value of **1**.

Use of the final authorization is **optional** outside of the Europe Region. However, if an Acquirer or Merchant uses the final authorization, then in a dual message environment:

1. Any Transaction corresponding to an authorization identified as a final authorization must be presented for clearing within four business days of the authorization approval date; and
2. The presented Transaction amount must equal the authorized amount.

**NOTE A Rule on this subject appears in the “Europe Region” section at the end of this chapter.**

## Message Reason Code 4808 Chargeback Protection Period

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**NOTE A Rule on this subject appears in the “Europe Region” section at the end of this chapter.**

## Multiple Authorizations

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The following requirements apply to MasterCard POS Transactions that occur at Merchants assigned the following card acceptor business codes (MCCs):

- MCCs 3351 through 3441 (Car Rental Agencies)
  - MCCs 3501 through 3999 (Lodging—Hotels, Motels, Resorts)
  - MCC 4411 (Cruise Lines)
  - MCC 7011 (Lodging—Hotels, Motels, Resorts—not elsewhere classified)
  - MCC 7512 (Automobile Rental Agency—not elsewhere classified)
1. The Acquirer must use a unique identifier from the initial approved authorization of a Transaction in any additional authorizations requested in connection with the same Transaction, by populating DE 48, subelement 63 (Trace ID) of each additional authorization request with the DE 63 (Network Data), subfield 1 (Financial Network Code) and subfield 2 (Banknet Reference Number) and DE 15 (Date, Settlement) data from the initial approved Authorization Request Response/0110 message. This unique identifier must also be included in the Transaction clearing record.
  2. Upon receipt of the Transaction clearing record, the Issuer must use the unique identifier to match the original and any additional approved authorizations to the Transaction.
  3. Upon matching all authorizations to the clearing record, the Issuer must release any hold placed on the Cardholder's account in connection with the original and any additional approved authorizations that is in excess of the Transaction amount.

**NOTE** An addition to this Rule appears in the “Europe Region” section at the end of this chapter.

## Full and Partial Reversals

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An Acquirer must support reversals for the full amount of any authorized POS Transaction whenever the Acquirer host system is unable to communicate the authorization response to the POS Terminal.

An Issuer receiving a Reversal Request/0400 message or an Acquirer Reversal Advice/0420 message must release any hold placed on funds in the MasterCard or Maestro Account in the amount specified within 60 minutes of matching the reversal message to the original authorization request message.

A reversal message sent for the full Transaction amount cancels the original authorization request.

An Acquirer must not automatically generate a full or partial reversal of an authorized ATM Transaction when the ATM Terminal indicates that the Transaction was not completed because the Cardholder failed to collect some or all of the cash dispensed.

**NOTE Additions to this Rule appear in the “Europe Region” and “United States Region” sections at the end of this chapter.**

## Reversal for Conversion of Approval to Decline

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An Acquirer or Merchant may convert an approval authorization request response (herein, an “Issuer-approved authorization”) into a decline for a Card-not-present (CNP) MasterCard or Maestro POS Transaction believed, in good faith, by the Acquirer or Merchant to be fraudulent solely in accordance with the following procedure:

1. The Acquirer or Merchant must determine whether to proceed with a Transaction believed, in good faith, to be fraudulent within 72 hours of sending the original authorization request message.
2. Upon deciding not to proceed with the Transaction and still within 72 hours of the original authorization request, the Acquirer or Merchant must:
  - a. Generate a reversal message for the full transaction amount that includes a reason code indicating that the Transaction was declined by the Acquirer or the Merchant due to perceived fraud,
  - b. Disclose to the Cardholder that the transaction cannot be completed at that time, and provide the Cardholder with valid customer service contact information (phone number or email address) to respond to Cardholder calls or email messages related to the cancelled order.

The contact information should be that of the Acquirer or Merchant that made the decision not to proceed with the Transaction. Sharing the specific reasons for the decline is not recommended or required.

The likelihood that a Transaction is fraudulent typically is determined through fraud screening and fraud scoring services that involve the storage, transmission or processing of Card or Transaction data in compliance with the *Payment Card Industry Data Security Standard* (PCI DSS). The Acquirer must register any third party provider of such services as a Third Party Processor (TPP) as described in Chapter of the *MasterCard Rules*. The systematic decline by an Acquirer or Merchant of CNP Transactions arising from particular Cards, Issuers, or geographic locations is a violation of Rule 5.10.1 of the *MasterCard Rules*.

## Reversal to Cancel Transaction

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A single message POS Transaction may be cancelled prior to its completion by use of a “CANCEL” or “STOP” key on the POS Terminal. If either the Cardholder or Merchant cancels the Transaction, or a technical failure occurs involving a magnetic stripe Transaction, either before or after the authorization request has been forwarded to the Issuer, the Cardholder and Merchant must be informed; there must be no record of a Transaction; and a reversal advice message must be sent to the Issuer.

If after sending an authorization request, the POS Terminal does not receive a response, the POS Terminal must 'time-out' and send an automatic reversal. In such event, the Cardholder and Merchant must be informed; the attempted Transaction must be recorded; and a reversal advice message must be sent to the Issuer with a response code.

## Full and Partial Approvals and Account Balance Responses

The Acquirer and each of its Merchants that support partial approvals must establish an education program for Merchant staff, including but not limited to POS Terminal operators, relating to the acceptance of multiple payment methods for a single purchase.

An Issuer must not respond to a cash withdrawal or purchase with cash back Transaction authorization request with a partial approval. A cash withdrawal Transaction must be approved or declined for the amount requested. A purchase with cash back Transaction must be either approved or declined for the total amount requested (purchase plus cash) or approved for the purchase amount only.

Effective 17 April 2020, a Customer must provide partial approval and account balance response authorization services as follows:

1. An Issuer must support:
  - a. Partial approval for all prepaid MasterCard, all Debit MasterCard (including prepaid), and all Maestro Account ranges; and
  - b. Account balance response for all prepaid MasterCard, prepaid Debit MasterCard, and prepaid Maestro Account ranges.
2. An Acquirer must:
  - a. For each Merchant identified with MCC 5542, support partial approval for all prepaid MasterCard, all Debit MasterCard (including prepaid), and all Maestro Account ranges; and
  - b. For each Merchant identified with any of the MCCs listed below, with respect to Card-present Transactions conducted at attended POS Terminals, support partial approval and account balance response for all prepaid MasterCard, all Debit MasterCard (including prepaid), and all Maestro Account ranges. The attended POS Terminal must either display or print the available balance when the Issuer provides available balance information in DE 54 (Additional Amounts) of the authorization response message.

MCC	Description
5310	Discount Stores
5311	Department Stores
5411	Grocery Stores, Supermarkets

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MCC	Description
5541	Service Stations (with or without Ancillary Services)
5621	Women's Ready to Wear Stores
5691	Men's and Women's Clothing Stores
5732	Electronic Sales
5812	Eating Places, Restaurants
5814	Fast Food Restaurants
5912	Drug Stores, Pharmacies
5999	Miscellaneous and Specialty Retail Stores

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**NOTE Additions to this Rule appear in the “Europe Region” and “United States Region” sections at the end of this chapter.**

## Corrections

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A correction is a single message authorization request containing a value of 20 in DE 3 (Processing Code), subfield 1 (Cardholder Transaction Type Code) that is used in a Card-present environment following a single message POS Transaction approval to remedy a Merchant or Cardholder error. A correction must be performed as a Card-read Transaction initiated by or on behalf of the Cardholder with either PIN or signature as the Cardholder verification method. The Acquirer assumes the risk for this message type and the interchange fee is returned to the Acquirer from the Issuer.

## Balance Inquiries

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The balance inquiry functionality of a Terminal allows a Cardholder to check the available balance of funds in an Account. Balance inquiries are identified with a value of 30 in DE 3, subfield 1 of authorization messages.

All Terminals that offer a balance inquiry functionality to debit cardholders of Competing EFT POS Networks and other competing networks must offer the same balance inquiry functionality to debit Cardholders.

A Terminal that offers balance inquiry must provide the Cardholder an opportunity to receive a receipt reflecting (and may also display) Account balance information. Each ATM Terminal and PIN-based In-Branch Terminal must display, as part of the screen information, or must print on



the receipt, the currency symbol of the local currency or three-character alpha ISO country code in which the balance amount is given, beside each balance inquiry amount.

**NOTE** Additions to this Rule appear in the “Europe Region” and “United States Region” sections at the end of this chapter.

## CVC 2 Verification for POS Transactions

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Refer to section 3.9 of the *Security Rules and Procedures* manual for CVC 2 requirements.

**NOTE** An addition to this Rule appears in the “Europe Region” section at the end of this chapter.

## CVC 3 Verification for Maestro Contactless Magnetic Stripe Transactions—Brazil Only

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**NOTE** A Rule on this subject pertaining to Brazil appears in the “Latin America and the Caribbean Region” section at the end of this chapter.

## Euro Conversion—Europe Region Only

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**NOTE** A Rule on this subject appears in the “Europe Region” section at the end of this chapter.

## Transaction Queries and Disputes

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A Customer must have the facilities and ensure the support of processes to handle Transaction queries, disputes, documentation requests, and chargebacks.

## Chargebacks for Reissued Cards

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Upon reissuing a Card with the same primary account number (PAN) and a new expiration date, the Issuer must include the expiration date in all Transaction chargeback records.

## Correction of Errors

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If a Customer has been unjustly enriched because of an error, the Customer must reimburse the amount with which it has been enriched to the Customer or Customers that have suffered the corresponding loss.

## Variations and Additions by Region

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The remainder of this chapter provides modifications to the Standards set out in this chapter. The modifications are organized by region or country and by applicable subject title.

### Asia/Pacific Region

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The following modifications to the Rules apply in the Asia/Pacific Region or in a particular Region country or countries. Refer to Appendix A for the Asia/Pacific Region geographic listing.

#### Acquirer Authorization Requirements

In the Asia/Pacific Region, the Rule on this subject is modified as follows.

An Acquirer must support Maestro POS Transactions that access the primary account and may also allow the Cardholder to select a checking or savings account (“account selection”).

#### Issuer Authorization Requirements

In the Asia/Pacific Region, the Rule on this subject is modified as follows.

A Maestro Card Issuer’s host system interfaces must support POS balance inquiry.

#### Preauthorizations

In the Asia/Pacific Region, the Rule on this subject is modified as follows.

The Acquirer is not liable for preauthorization completions that occurred within 20 minutes of the initial Maestro POS Transaction but were subsequently stored and forwarded because of technical problems between the Interchange System and the Issuer.

### Canada Region

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The following modifications to the Rules apply in the Canada Region. Refer to Appendix A for the Canada Region geographic listing.

#### Full and Partial Approvals and Account Balance Responses

In the Canada Region, the Rule on this subject is modified as follows.

1. Effective 17 April 2015 (with Release 15.Q2), an Issuer must support:
  - a. Partial approval for all prepaid MasterCard, and all Debit MasterCard Accounts.
  - b. Account balance response for all prepaid MasterCard Accounts.
2. Effective 17 April 2015, an Acquirer must support:
  - a. Partial approval for Card-present Transactions occurring at a Merchant in a category listed below with a Debit MasterCard or prepaid MasterCard Account; and
  - b. Account balance response for Card-present Transactions occurring at a Merchant in any of the categories listed below except MCC 5542 (Automated Fuel Dispenser) with a prepaid MasterCard Account. The POS Terminal must either display or print the available balance when the Issuer provides available balance information in DE 54 (Additional Amounts) of the authorization response message.

The Acquirer must ensure that each Merchant identified with any of the MCCs listed below supports the balance response and/or partial approval functionality, as applicable, effective with:

- Release 15.Q2 for newly deployed stand-alone POS Terminals;
- Release 15.Q4 for newly deployed integrated POS Terminals;
- Release 17.Q2 for all deployed stand-alone POS Terminals; and
- Release 17.Q4 for all deployed integrated POS Terminals.

MCC	Description
4812	Telecommunication Equipment Including Telephone Sales
4814	Telecommunication Services including but not limited to prepaid phone services and recurring phone services
4816	Computer Network/Information Services
5200	Home Supply Warehouse Stores
5310	Discount Stores
5311	Department Stores
5331	Variety Stores
5411	Grocery Stores, Supermarkets
5499	Miscellaneous Food Stores—Convenience Stores, Markets, Specialty Stores
5541	Service Stations (with or without Ancillary Services)
5542	Fuel Dispenser, Automated

<b>MCC</b>	<b>Description</b>
5621	Women's Ready To Wear Stores
5631	Women's Accessory And Specialty Stores
5641	Children's And Infant's Wear Stores
5651	Family Clothing Stores
5661	Shoe Stores
5691	Men's And Women's Clothing Stores
5732	Electronic Sales
5734	Computer Software Stores
5735	Record Shops
5812	Eating Places, Restaurants
5814	Fast Food Restaurants
5912	Drug Stores, Pharmacies
5921	Package Stores, Beer, Wine, Liquor
5941	Sporting Goods Stores
5942	Book Stores
5945	Game, Toy, and Hobby Shops
5947	Gift, Card, Novelty, and Souvenir Shops
5977	Cosmetic Stores
5999	Miscellaneous And Specialty Retail Stores
7399	Business Services—not elsewhere classified
8999	Professional Services—not elsewhere classified
9399	Government Services—not elsewhere classified

## Europe Region

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The following modifications to the Rules apply in the Europe Region or in a particular Region country or countries. Refer to Appendix A for the Europe Region and Single European Payments Area (SEPA) geographic listing.

### Acquirer Authorization Requirements

In the Europe Region, the Rule on this subject is modified as follows.

An Acquirer must ensure that any authorization request for an amount greater than zero is identified as either a preauthorization or as a final authorization.

### Issuer Authorization Requirements

#### Stand-In Processing Service

The Rule on this subject does not apply to an Issuer in the Europe Region if on or before 17 September 2008, the Issuer commenced its use of an alternative on-behalf authorization service that meets the Corporation's performance standards.

### Performance Standards

#### Performance Standards—Issuers

In the Europe Region, the global Rules on this subject are replaced in their entirety with the following:

For all Transactions, an Issuer authorization failure rate that exceeds one percent for two months in any six-month period is deemed to be substandard performance. The Issuer failure rate is not applied until after the Issuer's fourth calendar month of operation or upon the Issuer's processing of 5,000 Transactions in a calendar month, whichever occurs first. The Issuer failure rate is calculated by taking the sum of ISO 8583 response codes 31—issuer signed off, 82—time out at Issuer host, and 96—system malfunction, and dividing by the total number of Transactions processed through the Issuer connection to the Interchange System.

An Issuer that has been designated as having substandard performance:

1. May be subject to noncompliance assessments as set forth in "Performance Standards" in this chapter; and
2. Will be mandated to implement the Stand-In Processing Service. Chip Issuers mandated to implement the Stand-In Processing Service will also be required to register for M/Chip Cryptogram Validation in Stand-In.

### Preauthorizations

In the Europe Region, the Rule on this subject is modified as follows.

MasterCard and Maestro POS Transaction preauthorizations occurring at an automated fuel dispenser (also called an unattended petrol POS Terminal) and identified with MCC 5542

(Automated Fuel Dispenser) must be performed as described in “Automated Fuel Dispensers” in Chapter 4.

Preauthorizations are permitted for Card-not-present Maestro POS Transactions when completed in accordance with the requirements set forth below. Preauthorizations are not permitted for Maestro POS Transactions conducted in any Card-present environment, with the exception of automated fuel dispenser Transactions and Contactless transit aggregated Transactions.

The Acquirer must ensure that any MasterCard POS Transaction, Maestro POS Transaction occurring in a Card-not-present environment (a “Maestro CNP Transaction”), ATM Transaction, or Manual Cash Disbursement Transaction authorization request for an amount greater than zero is identified as a preauthorization if:

1. For a MasterCard POS Transaction, authorization is requested for an estimated amount; **or**
2. The Transaction might not be completed for reasons other than technical failure or lack of full issuer approval; for example:
  - a. When the Cardholder will be offered the choice at a later time to complete the Transaction with another payment means (such as when checking out of a hotel or returning a rental car);
  - b. When the products ordered by the Cardholder might be later found to be out of stock; or
  - c. If the mobile phone number for which the Cardholder has requested a top-up is later found not to exist.

The risk of technical failures, such as telecommunications failure or Terminal failure, should not be taken into account to determine if an authorization must be coded as a preauthorization.

A Processed Transaction authorization request is properly identified as a preauthorization when DE 61 (Point-of-Service [POS] Data), subfield 7 (POS Transaction Status) contains a value of **4**.

The presented Transaction amount of a Maestro CNP Transaction, ATM Transaction, or Manual Cash Disbursement Transaction must equal the preauthorized amount.

## Final Authorizations

In the Europe Region, the Acquirer must ensure that any authorization request for an amount greater than zero is identified as a final authorization if:

- The Transaction may no longer be cancelled after the authorization request is approved in full by the Issuer (excluding non-completion for technical reasons such as telecommunications failure or POS Terminal failure); and
- The authorization being requested is for the final Transaction amount.

A Processed Transaction authorization request is properly identified as a final authorization when DE 61 (Point-of-Service [POS] Data), subfield 7 (POS Transaction Status) contains a value

of **0** and DE 48 (Additional Data), subelement 61 (POS Data Extended Condition Codes), subfield 5 contains a value of **1**.

Any Transaction corresponding to an authorization identified as a final authorization must be presented within **four business days** of the authorization approval date. The presented Transaction amount must equal the approved authorization amount.

## Message Reason Code 4808 Chargeback Protection Period

In the Europe Region, the following message reason code 4808 (Requested/Required Authorization Not Obtained) chargeback protection periods apply with respect to each authorization approved on or after 5 November 2013.

Each approved...	Has a message reason code 4808 chargeback protection period of...
Preauthorization of a MasterCard POS Transaction	Thirty (30) calendar days <sup>1</sup>
Preauthorization of a Maestro POS Transaction, ATM Transaction, or Manual Cash Disbursement Transaction	Seven (7) calendar days from the authorization approval date
Final authorization	Seven (7) calendar days from the authorization approval date

As an exception to the foregoing, the message reason code 4808 chargeback protection for a properly identified preauthorization of an Acquirer-financed or Merchant-financed installment billing payment arrangement is not limited in time.

The Issuer must release any hold placed on funds in the Cardholder's Account after expiry of the message reason code 4808 chargeback protection period for the particular authorization, at the latest.

The total authorized amount of a Transaction does not include any amount for which the message reason code 4808 chargeback protection period has expired. The approved amount of any authorization with an expired message reason code 4808 chargeback protection period is deemed to be zero.

No fraud-related or other chargeback rights or Transaction processing requirements are affected by the message reason code 4808 chargeback protection period, unless otherwise indicated.

<sup>1</sup> The message reason code 4808 chargeback protection for a properly identified preauthorization of an Acquirer-financed or Merchant-financed installment billing payment arrangement is not limited in time. Refer to Chapter 4 for Contactless Transit Aggregated Transaction processing procedures.

## Multiple Authorizations

In the Europe Region, the Rule on this subject is modified as follows.

An Acquirer or any Merchant may extend the message reason code 4808 chargeback protection period by submitting additional authorization requests for the same MasterCard or Maestro POS Transaction on later dates.

In each authorization request subsequent to the initial authorization request, the Acquirer must include a unique identifier from the initial approved authorization, by populating DE 48, subelement 63 (Trace ID) of each subsequent authorization request with the DE 63 (Network Data), subfield 1 (Financial Network Code) and subfield 2 (Banknet Reference Number) and DE 15 (Date, Settlement) data from the initial approved Authorization Request Response/0110 message. This unique identifier from the initial approved authorization must also be included in the Transaction clearing record. Upon receipt of the Transaction clearing record, the Issuer may use the unique identifier to match the initial and any additional approved authorizations to the Transaction.

## Full and Partial Reversals

In the Europe Region, the Rule on this subject is modified as follows.

With respect to POS Transactions and Merchandise Transactions, the Acquirer or Merchant must submit a reversal message to the Issuer within 24 hours of:

- The cancellation of a previously authorized Transaction, or
- The finalization of a Transaction with a lower amount than previously approved.

The reversal may be a full or partial reversal, as appropriate. In the case of finalization of a Transaction with a lower amount, a partial reversal is not required if the clearing message is submitted within 24 hours of finalization of the Transaction.

The reversal requirement does not apply to Transactions occurring at a Merchant identified with MCC 5542 (Fuel Dispenser, Automated) or to Contactless transit aggregated Transactions or transit debt recovery Transactions.

A Customer located in **Italy** must provide full and partial reversal authorization services as set forth below:

1. For all prepaid MasterCard and all prepaid Debit MasterCard Card Account ranges, an Issuer must support full and partial reversals.
2. Effective 17 April 2015, the Acquirer of a Merchant identified with an MCC listed in the table below and that accepts MasterCard or Debit MasterCard Cards must support full and partial reversals performed at the POI and whenever, for technical reasons, the Acquirer is unable to communicate the authorization response to the Merchant, for all prepaid Debit MasterCard and all prepaid MasterCard Card Account ranges:

MCC	Description
5310	Discount Stores



MCC	Description
5311	Department Stores
5411	Grocery Stores, Supermarkets
5541	Service Stations (with or without Ancillary Services)
5542	Fuel Dispenser, Automated
5621	Women's Ready to Wear Stores
5691	Men's and Women's Clothing Stores
5732	Electronic Sales
5812	Eating Places, Restaurants
5814	Fast Food Restaurants
5912	Drug Stores, Pharmacies
5999	Miscellaneous and Specialty Retail Stores

## Full and Partial Approvals and Account Balance Responses

In the Europe Region, the Rule on this subject is modified as follows.

A Customer must support partial approvals at Merchants identified with MCC 5542 (Fuel Dispenser, Automated) for all MasterCard Account ranges if the Customer supports partial approvals for Maestro or any other debit brand, as described in "Automated Fuel Dispenser Transactions" in the Europe Region section of Chapter 4.

A Customer in the **United Kingdom** must provide partial approval and account balance response authorization services as set forth below:

1. An Issuer must support:
  - a. Partial approval for all prepaid MasterCard, Debit MasterCard (including prepaid), and Maestro Account ranges.
  - b. Account balance responses for all prepaid MasterCard, prepaid Debit MasterCard, and prepaid Maestro Account ranges.
2. An Acquirer must support:
  - a. Partial approval for each Merchant in the United Kingdom identified with MCC 5542 (Fuel Dispenser, Automated), with respect to all prepaid MasterCard, Debit MasterCard (including prepaid), and Maestro Account ranges;

- b. For each Merchant in the United Kingdom in any of the categories listed below, with respect to Card-present Transactions at attended POS Terminals:
  - a. Partial approval for all prepaid MasterCard, Debit MasterCard (including prepaid), and Maestro Account ranges; and
  - b. Account balance response for all prepaid MasterCard, prepaid Debit MasterCard, and prepaid Maestro Account ranges. The attended POS Terminal must either display or print the available balance when the Issuer provides available balance information in DE 54 (Additional Amounts) of the authorization response message.

MCC	Description
5310	Discount Stores
5311	Department Stores
5411	Grocery Stores, Supermarkets
5541	Service Stations (with or without Ancillary Services)
5621	Women's Ready to Wear Stores
5691	Men's and Women's Clothing Stores
5732	Electronic Sales
5812	Eating Places, Restaurants
5814	Fast Food Restaurants
5912	Drug Stores, Pharmacies
5999	Miscellaneous and Specialty Retail Stores

## Balance Inquiries

In the Europe Region, the Rule on this subject is modified as follows.

1. An Issuer in the **United Kingdom** must support and offer at ATM Terminals in the United Kingdom available and ledger balance inquiry functionality to its Cardholders.
2. An Issuer in **Albania, Armenia, Belarus, Bosnia, Bulgaria, Kazakhstan, Kosovo, Macedonia, Moldova, Montenegro, Serbia, Russia, Czech Republic, Romania, and Slovakia** must support and offer balance inquiry functionality to its Cardholders.

Effective 16 October 2015, an Issuer in the Europe Region must support domestic and intra-European balance inquiries conducted at ATM Terminals. The Acquirer must ensure that the

balance amount is not provided by the ATM Terminal before the Cardholder's PIN has been entered.

## CVC 2 Verification for POS Transactions

In the Europe Region, the following applies to MasterCard POS Transactions:

An Acquirer must ensure that each of its Merchants that has exceeded 100 basis points in fraudulent Card-not-present (CNP) Transactions for two consecutive calendar months:

1. For all MO/TO Transactions, captures and transmits the CVC 2 value to the Issuer for validation; and
2. For all e-commerce Transactions, captures and transmits the CVC 2 value to the Issuer for validation or becomes MasterCard *SecureCode*™-enabled.

The Acquirer must ensure that the Merchant complies with this requirement within 120 days following the second trigger month.

An Issuer must not authorize a MasterCard POS Transaction identified as a mail order, phone order, or e-commerce Transaction if the CVC 2 transmitted by the Acquirer does not match the CVC 2 on file with the Issuer corresponding to the MasterCard Account in question (that is, DE 48, subelement 87 of the Authorization Request Responses/0110 message = "N").

In the **UK, Ireland, and France**, the following applies to Maestro Intracountry POS Transactions:

If an Issuer receives CVC 2 data in the authorization request and it is invalid (for example, the CVC 2 field is not blank and the data does not match the data held on the Issuer's records), the authorization request must be declined. The Issuer cannot use a fraud-related message reason code to charge back a Transaction after approving an authorization request for the Transaction that contained invalid CVC 2 data.

## Euro Conversion

In the Europe Region, Transactions submitted into interchange that take place in countries that convert to the euro must be submitted in the euro. To allow a grace period for exceptional cases, the Interchange System will not reject Transactions submitted in currencies that have been replaced by the euro within six months after the transition period.

Within this six-month period, an Issuer may not reject or charge back Transactions submitted in currencies that the euro has replaced exclusively on grounds that such Transactions have not been submitted in euro.

Provided that the national currency of a country that converts to the Euro is still valid and accepted by the Interchange System, the greater of the euro floor limit or the floor limit in the national currency applies to Intracountry Transactions, regardless of the Transaction currency.

## Latin America and the Caribbean Region

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The following modifications to the Rules apply in the Latin America and the Caribbean Region. Refer to Appendix A for the Latin America and the Caribbean Region geographic listing.

### **CVC 3 Verification for Maestro Contactless Magnetic Stripe Transactions—Brazil Only**

In Brazil, for each Maestro Contactless Magnetic Stripe Transaction, the Issuer must verify the CVC 3 value in the authorization request and provide the result in the response message.

## United States Region

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The following modifications to the Rules apply in the United States (U.S.) Region. Refer to Appendix A for the U.S. Region geographic listing.

### **Acquirer Authorization Requirements**

In the U.S. Region, the Rule on this subject is modified as follows.

An Acquirer must support POS balance inquiry for all prepaid Debit MasterCard and prepaid Maestro Accounts.

### **Issuer Authorization Requirements**

In the U.S. Region, the Rule on this subject is modified as follows.

A Maestro Card Issuer's host system interfaces must support POS balance inquiry. A Maestro Card Issuer must also support:

- Preauthorization from pooled account
- Partial approval from primary account, checking account, savings account, and pooled account
- Full and partial reversal
- POS balance response for prepaid Accounts

Each Maestro and Cirrus Card Issuer must offer cash withdrawal from a savings account and from a checking account, and may optionally offer Shared Deposit to a savings account and to a checking account.

### **Stand-In Processing Service**

In the U.S. Region, the Rule on this subject, as it applies to MasterCard Card Programs, is replaced in its entirety with the following:

For all MasterCard Card Programs, an Issuer must use the Stand-In Processing Service, including the Stand-In Investigation Service. For all MasterCard Card Programs except Debit

MasterCard Card Programs, Stand-In Parameters must be set at or above the Corporation's default limits.

In the event that fraudulent activity is detected with respect to a BIN or BIN range, the Corporation, in its sole discretion and judgment, may take such action as the Corporation deems necessary or appropriate to safeguard the goodwill and reputation of the Corporation's Marks. Such action may include, by way of example and not limitation, declining some or all Transaction authorization requests received by the Stand-in Processing Service relating to the use of Cards issued under such BIN or BIN range.

For Debit MasterCard Card Programs, the following requirements apply:

1. For all Transactions identified with a TCC of C, P, T, U, or Z, the Transaction category code (TCC) limit may be set below the Corporation's default value.
2. For all Card-not-present Transactions, the TCC limit may be set below the Corporation's default value.
3. For Card-present Transactions identified with a TCC of A, F, H, O, R, or X and effected with a Debit MasterCard Card (standard), the TCC limit may be set below the Corporation's default value to an amount no less than USD 50.
4. For Card-present Transactions identified with a TCC of A, F, H, O, R, or X and effected with a Debit MasterCard Card (enhanced), the TCC limit may be set below the Corporation's default value to an amount no less than USD 100.
5. For Card-present Transactions identified with a TCC of A, C, F, H, O, R, or X and effected with a Debit MasterCard BusinessCard Card or Debit MasterCard Professional Card, the TCC limit may be set below the Corporation's default value to an amount no less than USD 400.
6. For Debit MasterCard Card (standard) Programs, the accumulative limits may be set below the Corporation's default values as follows.

<b>Day</b>	<b>Minimum Transaction Count</b>	<b>Recommended Transaction Count</b>	<b>Minimum Transaction Amount</b>
1	4	6	USD 50
2	6	12	USD 100
3	6	18	USD 150
4	6	24	USD 200

7. For Debit MasterCard Card (enhanced) Programs, the accumulative limits may be set below the Corporation's default values as follows.

Day	Minimum Transaction Count	Recommended Transaction Count	Minimum Transaction Amount
1	4	6	USD 100
2	6	12	USD 200
3	6	18	USD 300
4	6	24	USD 400

8. For Debit MasterCard BusinessCard Card and Debit MasterCard Professional Card Programs, the accumulative Limits may be set below the Corporation's default values as follows.

Day	Minimum Transaction Count	Recommended Transaction Count	Minimum Transaction Amount
1	4	4	USD 750
2	6	6	USD 1,000
3	6	6	USD 1,000
4	6	6	USD 1,000

## Performance Standards

### Performance Standards—Issuers

In the U.S. Region, the global Rules on this subject are replaced in their entirety with the following:

An Issuer authorization failure rate for Maestro POS Transactions and ATM Transactions that exceeds two percent (2%) in any given calendar month is deemed to be substandard performance. The Issuer failure rate is not applied until after the Issuer's fourth calendar month of operation or upon the Issuer's processing of 5,000 Transactions in a calendar month, whichever occurs first. Refer to "Calculation of the Issuer Failure Rate" in this chapter for the formula used to calculate the Issuer authorization failure rate.

### Preauthorizations

In the U.S. Region, the Rule on this subject is modified as follows.

The Acquirer is not liable for preauthorization completions that occurred within 20 minutes of the initial Maestro POS Transaction but were subsequently stored and forwarded because of

technical problems between the Acquirer and the Interchange System, or the Interchange System and the Issuer.

No CVM is required for a PIN-less Single Message Transaction preauthorization.

## Full and Partial Reversals

In the U.S. Region, the Rule on this subject is modified as follows.

A Customer must provide full and partial reversal authorization services as set forth below:

1. For all Debit MasterCard Card Account ranges, an Issuer must support full and partial reversals.
2. The Acquirer of a Merchant assigned an MCC other than any of the travel-related MCCs listed below must ensure that for any approved amount that will not be included in a Transaction presentment, the Merchant initiates, as applicable, a full or partial reversal:
  - a. Within 24 hours of the original authorization request in a Card-present environment, and
  - b. Within 72 hours of the original authorization request in a Card-not-present environment.
3. The Acquirer of a Merchant assigned any of the following travel-related MCCs must ensure that any approved amount not included in a Transaction presentment is reversed within 20 calendar days:
  - MCCs 3351 through 3441 (Car Rental Agencies)
  - MCCs 3501 through 3999 (Lodging—Hotels, Motels, Resorts)
  - MCC 4411 (Cruise Lines)
  - MCC 7011 (Lodging—Hotels, Motels, Resorts—not elsewhere classified)
  - MCC 7512 (Automobile Rental Agency—not elsewhere classified).
4. For Merchants in the categories listed in the following table, the Acquirer must ensure that with respect to the acceptance of Debit MasterCard Cards, the Merchant supports full and partial reversals performed at the POI and whenever, for technical reasons, the Acquirer is unable to communicate the authorization response to the Merchant.

MCC	Description
4111	Transportation—Suburban and Local Commuter Passenger, including Ferries
4812	Telecommunication Equipment including Telephone Sales
4814	Telecommunication Services
4816	Computer Network/Information Services
4899	Cable, Satellite, and Other Pay Television and Radio Services
5111	Stationery, Office Supplies

<b>MCC</b>	<b>Description</b>
5200	Home Supply Warehouse Stores
5300	Wholesale Clubs
5310	Discount Stores
5311	Department Stores
5331	Variety Stores
5399	Miscellaneous General Merchandise Stores
5411	Grocery Stores, Supermarkets
5499	Miscellaneous Food Stores—Convenience Stores, Markets, Specialty Stores
5541	Service Stations (with or without Ancillary Services)
5542	Fuel Dispenser, Automated
5732	Electronic Sales
5734	Computer Software Stores
5735	Record Shops
5812	Eating Places, Restaurants
5814	Fast Food Restaurants
5912	Drug Stores, Pharmacies
5921	Package Stores, Beer, Wine, and Liquor
5941	Sporting Goods Stores
5942	Book Stores
5943	Office, School Supply and Stationery Stores
5999	Miscellaneous and Specialty Retail Stores
7829	Motion Picture-Video Tape Production-Distribution
7832	Motion Picture Theaters



<b>MCC</b>	<b>Description</b>
7841	Video Entertainment Rental Stores
7996	Amusement Parks, Carnivals, Circuses, Fortune Tellers
7997	Clubs—Country Membership
8011	Doctors—not elsewhere classified
8021	Dentists, Orthodontists
8041	Chiropractors
8042	Optometrists, Ophthalmologists
8043	Opticians, Optical Goods, and Eyeglasses
8062	Hospitals
8099	Health Practitioners, Medical Services—not elsewhere classified
7999	Recreation services—not elsewhere classified
8999	Professional Services—not elsewhere classified
9399	Government Services—not elsewhere classified

## Full and Partial Approvals and Account Balance Responses

In the U.S. Region, the Rule on this subject is modified as follows.

A Customer must provide partial approval and account balance response authorization services as set forth below:

1. For all Debit MasterCard Account ranges, Issuers must support partial approvals.
2. For all prepaid Debit MasterCard Account ranges, Issuers must support account balance responses.
3. For all Debit MasterCard and Maestro Account ranges, the Acquirer of a Merchant identified with MCC 5542 (Fuel Dispenser, Automated) must support partial approvals.
4. For Merchants in the categories listed in the table provided in “Full and Partial Reversals” in this U.S. Region section, the Acquirer and each such Merchant must:
  - a. For all Debit MasterCard and Maestro Account ranges, support partial approvals for Card-present Transactions occurring at attended POS Terminals, and
  - b. For all prepaid Debit MasterCard and prepaid Maestro Account ranges, support account balance responses for Card-present Transactions occurring at attended POS

Terminals. The attended POS Terminal must either display or print the available balance when the Issuer provides available balance information in DE 54 (Additional Amounts) of the authorization response message.

### **Balance Inquiries**

In the U.S. Region, the Rule on this subject is modified as follows.

The Acquirer must ensure that a balance inquiry is initiated through the use of a PIN and a magnetic stripe reader and is performed only at Cardholder-operated Terminals.

## Chapter 3 Acceptance Procedures

*The following Standards apply with regard to Card acceptance at the Point of Interaction (POI). Where applicable, variations or additions by region and/or country are provided at the end of this chapter in the section titled, "Variations and Additions by Region."*

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## Merchant Acceptance Procedures

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The following Rules set forth requirements for the acceptance of Cards and Contactless Payment Devices and the authorization and completion of POS Transactions by a Merchant in any environment.

A Card-present Transaction conducted at a POS Terminal should be processed using the highest level of technology supported by both the Card or Contactless Payment Device and the POS Terminal, as follows:

1. If a Chip Card or Contactless Payment Device is presented at a Hybrid POS Terminal, complete the Transaction in accordance with the technical specifications set forth in the *M/Chip Requirements* or *PayPass-M/Chip Requirements*, as applicable; or
2. If a magnetic stripe Card is presented at a POS Terminal, ensure that the magnetic stripe is “read” by the POS Terminal. If the magnetic stripe cannot be read, then:
  - a. If the Card is a MasterCard Card, the Transaction may be completed through the use of a manual imprinter (unless the Card is unembossed) and/or electronic key entry of the Card information. Please note that electronic key entry alone does not provide the proof of Card presence required for a successful second presentment of a fraud-related dispute. (Refer to “Use of Card Validation Code 2 (CVC 2)” in the United States Region section of this chapter regarding the use of CVC 2 in lieu of a Card imprint for Transactions occurring within the U.S. Region.)
  - b. If the Card is a Maestro Card, the Transaction must not be completed. (Electronic key entry of Maestro Card information into a POS Terminal is permitted only for refund Transactions.)

Refer to Chapters 4 and 5 for specific POS Transaction type requirements and Chapter 7 for POS Terminal requirements.

### Cardholder Must Present a Card

A Card must be used to initiate a POS Transaction when both the Cardholder and the Merchant representative are present at the POI. A Card must also be used to initiate a Transaction conducted at an unattended POS Terminal (also called a Cardholder-activated Terminal [CAT]). Alternatively, a Contactless Payment Device may be used at a Merchant location where the POS Terminal (whether attended or unattended) has contactless payment functionality. The physical presentation of a Card at the POI is not required for an e-commerce, mail order, phone order, or recurring payment Transaction.

### Accepting a MasterCard Card

When a MasterCard Card is presented, the Merchant representative must take the following steps to determine the validity of the Card. These steps do not apply in a Card-not-present environment, at a Cardholder-Activated Terminal (CAT), when a Contactless Payment Device is presented, or when a Chip Transaction is completed with PIN as the Cardholder verification method (CVM).

1. Check the valid date and the expiration date on the front of the Card. If the Card is expired or not yet valid, obtain an authorization from the Issuer. Expiration and valid dates are each expressed as follows:
  - a. When an expiration date is expressed in a month/year format, Transactions are valid through and including the last day of the month and year.
  - b. When a valid date is expressed in a month/year format, Transactions that occur before the first day of the month and year are invalid.
  - c. When a valid date is expressed in a month/day/year format, Transactions that occur before the day, month, and year are invalid.
2. Compare the first four digits of the primary account number (PAN) on the Card front with the four digits printed below the PAN, to ensure the same digits appear in the same sequence.
3. Compare the four-digit truncated PAN imprinted in the signature panel with the last four digits of the PAN on the Card front.
4. Unless a Hybrid POS Terminal is used, compare the PAN on the Card front with the number displayed on or printed from the Terminal.
5. If a photograph of the Cardholder is present on the Card, compare the photograph on the Card with the person presenting the Card.
6. Check that the Card is signed.
7. For face-to-face unique Transactions, request personal identification of the Cardholder in the form of an unexpired, official government document (for example, a passport, identification document, or driver's license) that bears the Cardholder's signature, the Cardholder's photograph, or both. Compare the signature, if present, on the personal identification with the signature on the Card. Compare the photograph, if present, with the person presenting the Card. Record the personal identification on the Transaction receipt.

### **Unsigned Cards**

If a MasterCard Card is presented to a Merchant representative and the Card is not signed, the Merchant representative must:

1. Obtain an authorization from the Issuer,
2. Ask the Cardholder to provide identification (but not record the Cardholder identification information); and
3. Require the Cardholder to sign the Card.

The Merchant must not complete the Transaction if the Cardholder refuses to sign the Card.

### **Suspicious Cards**

If a MasterCard Card is presented and the Merchant representative believes that there is a discrepancy in the signature, or if the last four digits of the PAN on the Card front do not match the four-digit truncated PAN on the signature panel or displayed on the POS Terminal, or if the photographic identification is uncertain, the Merchant must contact its Acquirer for instructions.

If an unexpired Card does not have a MasterCard or Debit MasterCard hologram, as applicable, or MasterCard HoloMag™, the Merchant must retain the Card if able to do so peacefully and contact its Acquirer for instructions.

To report a suspicious Card to its Acquirer, the Merchant may either:

- Include a value of 1 (Suspected fraud (merchant suspicious—code 10) in DE 61, subfield 8 (Transaction Security) of the authorization request message; or
- Contact the Acquirer's authorization center and state "This is a Code Ten." The Acquirer may adopt a term other than "Code Ten" for use when a Merchant is suspicious, subject to approval by the Corporation.

For more information about Card retention procedures, refer to Chapter 5 of the *Security Rules and Procedures* manual. Refer to "Reversal for Conversion of Approval to Decline" in Chapter 2 of this manual for procedures relating to Card-not-present POS Transactions believed by the Acquirer or Merchant to be fraudulent.

### **Accepting a Maestro Card**

In a Card-present environment, a Maestro POS Transaction must not be performed if neither the magnetic stripe nor the contact or contactless chip on the Card can be read for any reason. An Issuer is not responsible for a Maestro POS Transaction if the PAN was manually entered into the POS Terminal and the approved Transaction was subsequently determined to have arisen through use of a fraudulent Card and/or unauthorized use of a PIN.

**NOTE** An addition to this Rule appears in the "Asia/Pacific Region" section at the end of this chapter.

## **Obtaining an Authorization for a MasterCard POS Transaction**

With respect to securing authorizations of MasterCard POS Transactions, an Acquirer must treat all Transactions at a Merchant in the same manner. If a Card is presented in a face-to-face Transaction, the Merchant must use its best efforts, by reasonable and peaceful means, to retain the Card while making an authorization request. This requirement does not apply when a Contactless Payment Device is presented or a Chip Transaction is conducted with PIN as the CVM.

A Merchant must obtain an online authorization from the Issuer for:

1. All e-commerce, mail order, phone order, recurring payment, and other Card-not-present Transactions, regardless of the Transaction amount.
2. All face-to-face Transactions, whether Card-read or key-entered, occurring at locations with a POS Terminal that has both online and magnetic stripe-reading capability, regardless of the Transaction amount, including:
  - a. MasterCard Contactless magnetic stripe Transactions.
  - b. Chip Transactions when required by the Card or the Hybrid POS Terminal, including MasterCard Contactless M/Chip Transactions. Before completing the Transaction, the Merchant must obtain a Transaction Certificate (TC) and related data.

- c. Purchase with cash back Transactions, for the full Transaction amount inclusive of DE 4 (Amount, Transaction) and DE 54 (Additional Amounts).
  - d. Any Transaction involving a magnetic stripe-only prepaid Card or a magnetic stripe-only Health Savings Account (HSA) Card, regardless of the Transaction amount. An HSA card is identified with a licensed product identifier value of MHA, MHB, MHC, or MHH.
  - e. In-flight Transactions, including but not limited to Transactions occurring at CAT 4 devices.
3. All magnetic stripe-read Transactions occurring at CAT 1, CAT 2, or CAT 4 devices.
  4. An in-flight Transaction at an attended POS Terminal.
  5. A Transaction occurring at an MPOS Terminal, whether Card-read or key-entered, regardless of the Transaction amount.
  6. A magnetic stripe Transaction occurring at a Europe Region Merchant location if the Card has a service code of X2X (Positive Online Authorization Required). (Refer to section 3.10 of the *Security Rules and Procedures* for information about service code values.)
  7. Any Transaction for which any of the following conditions apply:
    - a. The Transaction amount exceeds the published floor limit applicable to the Merchant as published in Chapter 5 of the *Quick Reference Booklet*.
    - b. The Card is expired or not yet valid.
    - c. The Card is not signed.
    - d. The Merchant's POS Terminal is unable to read the magnetic stripe or the chip (if one is present) on the Card.
    - e. The Card cannot be imprinted on the Transaction receipt because of a malfunction, although the Card is present and embossed.
    - f. The Account number is listed in the applicable Warning Bulletin.
    - g. The Merchant is suspicious of the Transaction for any reason.

An online authorization from the Issuer is not required in the following instances:

1. Transactions at a CAT 3 device.
2. Chip Transactions authorized offline by the EMV chip, including both Contact and Contactless Chip Transactions, when the Transaction amount is equal to or less than USD 200, or EUR 200 for a Merchant in Region D (the Europe Region).
3. Refund Transactions.

A Merchant or its Acquirer may obtain a voice authorization from the Issuer, with the understanding that the authorization code obtained in a voice authorization is not a valid remedy to an authorization-related chargeback.

Floor limit Standards are published in Chapter 5 of the *Quick Reference Booklet*.

For additional authorization message requirements, including how a Merchant or Acquirer may convert an Issuer's approval of a Card-not-present Transaction believed in good faith to be fraudulent to a decline, refer to Chapter 2.



**NOTE** An addition to this Rule appears in the “Europe Region” section at the end of this chapter.

### Authorization of Lodging, Cruise Line, and Vehicle Rental Transactions

Lodging, cruise line, and vehicle rental Merchants may request an authorization for an estimated Transaction amount, and may submit subsequent authorization requests for any additional estimated amounts as needed. For more information, refer to “Multiple Authorizations” in Chapter 2.

Vehicle rental Merchants:

1. May not include any charge in a Transaction that represents either the vehicle insurance deductible amount or an amount to cover potential or actual damages when the Cardholder waives insurance coverage at the time of the rental; and
2. Before the Cardholder enters into a rental agreement, the Merchant must disclose to the Cardholder the amount of the authorization request to be sent to the Issuer.

Charges for loss, theft, or damage must be processed separately.

When the Transaction is completed (that is, when the customer checks out of the hotel or motel, departs the cruise ship, or returns the vehicle) and the final Transaction amount is determined, the following will apply.

IF...	THEN...
The authorization request message contains the Partial Approval Terminal Support Indicator, and the authorization request response message contains a value of 10 (Partial Approval) in DE 39 and a partial approval amount in DE 6.	The Transaction amount may not exceed the approved amount.
The POS Terminal is not online-capable and the final Transaction amount does not exceed the published floor limit applicable to the Merchant.	The Merchant is not required to obtain an authorization, but must check the Card account number against the applicable Warning Bulletin.
The final Transaction amount does not exceed the Merchant's estimated amount by 15 percent.	The Merchant is not required to request a secondary authorization. The initial authorization guarantees the full amount of the Transaction.
The final Transaction amount exceeds the Merchant's estimated amount by 15 percent.	The Merchant must request a secondary authorization for the additional amount.
The final Transaction amount exceeds the Merchant's applicable floor limit, and a previous authorization was not obtained because the Merchant's estimate did not exceed the floor limit.	The Merchant must obtain an authorization for the total Transaction amount.

The total authorized amount is the cumulative amount of all authorization request approvals related to the Transaction, plus 15 percent.

**NOTE A variation to this Rule appears in the “Europe Region” section at the end of this chapter.**

### Authorization When the Cardholder Adds a Gratuity

The following procedures apply to Transactions in which the Cardholder adds a gratuity, either before or after authorization approval is obtained.

IF...	THEN...
The authorization request message contains the Partial Approval Terminal Support Indicator and the authorization request response message contains a value of 10 (Partial Approval) in DE 39 and a partial approval amount in DE 6.	The Transaction amount may not exceed the approved amount.
The POS Terminal is not online-capable, the Transaction amount is below the published floor limit applicable to the Merchant, <b>and</b> the Cardholder adds a gratuity in an amount less than or equal to 20 percent of the Transaction amount.	The Merchant <b>is not</b> required to obtain an authorization even though the total Transaction amount may exceed the Merchant’s floor limit.
The Merchant obtained an authorization for a Transaction, <b>and</b> the Cardholder adds a gratuity in an amount greater than 20 percent of the Transaction amount.	The Merchant must request a secondary authorization for the additional amount.
The Transaction amount is below the Merchant’s applicable floor limit <b>and</b> the Cardholder adds a gratuity in an amount greater than 20 percent of the Transaction amount, which causes the Transaction amount to exceed the Merchant’s floor limit.	The Merchant must obtain an authorization for the total Transaction amount.

The total authorized amount is the cumulative amount of all authorization request approvals related to the Transaction, plus 20 percent.

**NOTE A variation to this Rule appears in the “Europe Region” section at the end of this chapter.**

### Use of Card Validation Code (CVC) 2

In a Card-not-present environment, a Merchant may request a Card validation code (CVC) 2 verification from the Issuer, as a means to check the validity of a MasterCard Card.

All non-face-to-face gambling Transactions (MCC 7995) conducted with a MasterCard Card must include CVC 2 value in DE 48 (Additional Data—Private Use), subelement 92 of the Authorization Request/0100 message.

CVC 2 data must not be stored by the Merchant, its Acquirer, or any Service Provider. Refer to section 3.9 of the *Security Rules and Procedures* manual for additional CVC 2 requirements.

**NOTE A variation to this Rule appears in the “United States Region” section at the end of this chapter.**

### **UCAF Authentication and Digital Certificates**

A Merchant must not refuse to complete a MasterCard e-commerce Transaction solely because the Cardholder does not have a digital certificate or other secured protocol.

Refer to section 3.4 of the *Chargeback Guide* for MasterCard *SecureCode* liability shift information.

### **Capture Card Response**

If the Merchant receives a “capture card” or “pick-up-card” response to an authorization request, the Merchant must not complete the Transaction. In a face-to-face Transaction environment, the Merchant must attempt to retain the Card by reasonable and peaceful means, contact the Acquirer’s authorization center for further instructions, and use its best efforts, by reasonable and peaceful means, to comply with those instructions. The Card retention requirement does not apply when a Contactless Payment Device has been presented.

## **MasterCard Cardholder Verification—PIN and Signature Requirements**

In a face-to-face Transaction environment, the Merchant must accept signature as a Cardholder verification method (CVM) for a MasterCard POS Transaction. Unless PIN or “No CVM” is used as the CVM in accordance with the Standards, the Merchant must request that the Cardholder sign the Merchant’s copy of the Transaction receipt.

The requirement to obtain a CVM in a face-to-face environment does not apply with respect to:

1. A QPS or Contactless Transaction that is equal to or less than the applicable CVM limit amount; or
2. A Transaction occurring at a Merchant with less than USD 100,000 in annual Transaction Volume and conducted using an MPOS Terminal or a Chip-only MPOS Terminal that does not support electronic signature capture and cannot print a paper Transaction receipt. (The use of an MPOS Terminal or Chip-only MPOS Terminal lacking such capabilities confers no chargeback protection.)

When a signature is obtained as the CVM for a POS Transaction completed with a Card (but not when a Contactless Payment Device is presented), the Merchant must compare the signature on the Transaction receipt with the signature on the Card to determine whether they appear to be the same. If the Merchant believes that the signature on the Card does not

match the signature on the Transaction receipt, the Merchant must contact the Acquirer for instructions. The signature would not match if the name appearing on the Card's signature panel is different from the name appearing on the Transaction receipt (for example, if the Card were signed "Jan H. Hanley" and the Transaction receipt showed "Bob Hanley" or "F. Hanley"). The signature would be acceptable if the Cardholder's first and/or middle names is abbreviated on the Transaction receipt (such as J. H. Hanley) or if a title such as Mr., Mrs., or Dr. is missing or is included.

In a Card-not-present Transaction environment, the Merchant may complete the Transaction without using a CVM. Refer to Appendix D, "Cardholder-Activated Terminal (CAT) Requirements" for CVM requirements at unattended POS Terminals.

No CVM is required for a refund Transaction. However, when a PIN is used as the CVM for a refund Transaction conducted at a Hybrid POS Terminal, the Merchant must obtain a successful PIN validation.

For information about the use of PIN for magnetic stripe MasterCard POS Transactions, refer to section 4.7 of the *Security Rules and Procedures* manual.

## Obtaining an Authorization for a Maestro POS Transaction

A Merchant must obtain an online authorization from the Issuer or its agent for all Maestro magnetic stripe POS Transactions. With respect to Maestro Chip Transactions, the floor limits published in Chapter 5 of the *Quick Reference Booklet* apply. A Merchant must obtain an online authorization for a Chip Transaction that exceeds the published floor limit and whenever the Card or the Hybrid POS Terminal requires online authorization. Before completing a Chip Transaction for which online authorization is required or requested, the Merchant must obtain a Transaction Certificate (TC) and related data.

For additional authorization message requirements, including how a Merchant or Acquirer may convert an Issuer's approval of a Card-not-present Transaction believed in good faith to be fraudulent to a decline, refer to Chapter 2.

**NOTE** An addition to this Rule appears in the "Europe Region" section at the end of this chapter.

## Maestro Cardholder Verification—PIN and Signature Requirements

For each Card-present Maestro POS Transaction, PIN must be used as the Cardholder verification method, whether magnetic stripe or chip is used to initiate the Transaction except in the case of:

1. A properly presented Contactless Transaction for which no CVM is required;
2. No-CVM Transactions conducted in the Europe Region; and
3. A Transaction occurring at a Hybrid POS Terminal in a country in which the Corporation has consented to the use of offline PIN as the minimum CVM for a Chip Transaction and signature as the CVM for a magnetic stripe Transaction.

At present, the Corporation has given such consent to Customers in:

1. Andorra
2. Belgium
3. Estonia
4. Finland
5. France
6. Iceland
7. Ireland
8. Latvia
9. Lithuania
10. Monaco
11. Portugal
12. Spain
13. United Kingdom

An Issuer must not decline authorization of a Transaction solely because the PIN was verified in an offline mode or because the Transaction occurred in a country where the Corporation has granted Customers a waiver allowing the use of a signature-based CVM instead of a PIN-based CVM. An Issuer must accept and properly process (by performing an individual risk assessment on) each Transaction verified using a signature-based CVM in the same manner as the Issuer would if the Transaction had been verified using a PIN-based CVM.

**NOTE Additions and/or variations to this Rule appear in the “Europe Region,” “Latin America and the Caribbean Region,” and “United States Region” sections at the end of this chapter.**

## MasterCard Manual Cash Disbursement Acceptance Procedures

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The following procedures apply to the acceptance of a MasterCard Card by a Customer’s teller or other authorized agent (herein collectively referred to as “cash disbursement agents”). A MasterCard Manual Cash Disbursement Transaction conducted at a POS Terminal should be processed using the highest level of technology supported by both the Card and the POS Terminal. Refer to Chapter 4 for additional MasterCard Manual Cash Disbursement Transaction requirements.

1. Compare the first four digits of the primary account number (PAN) on the Card front with the four digits printed below the PAN, to ensure the same digits appear in the same sequence. Record the four printed digits on the Transaction receipt.
2. Compare the four-digit truncated PAN imprinted in the signature panel with the last four digits of the PAN on the Card front.
3. Unless a Hybrid POS Terminal is used, compare the PAN on the Card front with the number displayed on or printed from the Terminal.
4. If a photograph of the Cardholder is present on the Card, compare the photograph on the Card with the person presenting the Card.
5. Check that the Card is signed.

6. Unless a non-signature CVM has been obtained, request personal identification of the Cardholder in the form of an unexpired, official government document (for example, a passport, identification document, or driver's license) that bears the Cardholder's signature, the Cardholder's photograph, or both. Compare the signature, if present, on the personal identification with the signature on the Card. Compare the photograph, if present, with the person presenting the Card. Record the personal identification on the Transaction receipt.
7. Obtain an authorization approval from the Issuer.

## **ATM Terminal and PIN-based In-Branch Terminal Transactions**

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The following requirements apply with respect to Transactions occurring at ATM Terminals and PIN-based In-Branch Terminals.

1. The Cardholder must be verified by a PIN, whether magnetic stripe or chip is used to initiate the Transaction.
2. For magnetic stripe Transactions, PIN verification must be online.
3. Chip Cards must support online PIN verification for these Transactions.
4. The Issuer must decline Transaction attempts where the PIN is entered incorrectly. For Chip Transactions, the Payment Application or Card may also be blocked if the Cardholder exceeds the number of PIN attempts permitted by the Issuer.

## **POI Currency Conversion**

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An Acquirer or Merchant may offer currency conversion at the POI provided that the offering complies with all of the following requirements.

1. Before submitting the authorization or preauthorization request for the Transaction, an Acquirer or Merchant that offers POI currency conversion must:
  - a. Clearly and conspicuously inform the Cardholder that the Cardholder has the right to choose the method of currency conversion to be applied to the Transaction (for example, by the Acquirer or Merchant, or by MasterCard);
  - b. Clearly and conspicuously inform the Cardholder of the same elements as referenced in the applicable requirements section of "Providing a Transaction Receipt," which inform the Cardholder's choice;
  - c. Actively obtain and respect the Cardholder's choice of currency conversion method; and
  - d. If the offering occurs in a chip environment, comply with additional requirements set forth in the *MiChip Requirements* manual.
2. No specific currency conversion method may be implemented as the default option, except that when POI currency conversion is offered on the Internet, a currency conversion option may be pre-selected.

3. The currency chosen by the Cardholder must be indicated as the Transaction currency in DE 49 of Transaction authorization and clearing messages.
4. Screen messages at ATM Terminals or unattended POS Terminals must not require the Cardholder to choose between **YES** and **NO** when choosing the currency. Indirect means, such as the colors red and green, must not be used to influence the Cardholder's choice.
5. At attended POS Terminals that require the Cardholder to choose between **YES** and **NO**, the Merchant must verbally explain the offer to the Cardholder before presenting it on the POS Terminal.
6. The POI currency conversion indicator and pre-conversion currency and amount must be provided in DE 54 of Financial Transaction/0200 messages and First Presentment/1240 messages.
7. If the Cardholder does not choose POI currency conversion, the Acquirer must present the Transaction in the currency in which products, services, or both, were priced or in the currency that was dispensed to the Cardholder.
8. The same currency conversion method must be used for a refund as was used for the corresponding POS Transaction.
9. If the Acquirer or Merchant offers multiple currencies, the Transaction receipt must reflect all of the following information:
  - a. The total of products and services purchased in the Transaction in the local currency,
  - b. The converted Transaction amount in the currency chosen and agreed to by the Cardholder and the Merchant,
  - c. The currency symbol or code of each,
  - d. The method agreed to by the Cardholder for the conversion of the total amount from the local currency to the Transaction currency (for example, conversion rate).
  - e. Either of the following statements:
    - a. "I have chosen not to use the MasterCard currency conversion process and I will have no recourse against MasterCard concerning the currency conversion or its disclosure."
    - b. "I understand that MasterCard has a currency conversion process and that I have chosen not to use the MasterCard currency conversion process and I will have no recourse against MasterCard with respect to any matter related to the currency conversion or disclosure thereof."
10. POI currency conversion must not be offered on a Contactless Transaction that is equal to or less than the applicable CVM limit or on any Contactless Transaction for which a ceiling limit applies. POI currency conversion may optionally be offered on a Contactless Transaction that exceeds the CVM limit.

Before offering POI currency conversion at ATM Terminals or unattended POS Terminals, the Acquirer must submit the proposed screen messages and a sample receipt for approval by the Corporation. Alternatively, the Acquirer may implement screen messages and a receipt as shown in Appendix E without advance approval.

## Multiple Transactions—MasterCard POS Transactions Only

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All products and services purchased in a single Transaction must be included in one total amount on a single Transaction receipt and reflected in a single Transaction record, with the following exceptions:

- A Merchant may accept more than one payment method for a single purchase, provided that the Transaction record and receipt reflects only the portion of the purchase to be paid by means of an Account.
- A Merchant may complete a consumer's purchase of multiple products or services by individually billing the products or services in separate Transactions to the same Account, in accordance with the acceptance procedures.

## Partial Payment—MasterCard POS Transactions Only

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A Merchant is prohibited from effecting a Transaction where only a part of the total purchase amount is included on the Transaction record and receipt, except in the following circumstances:

- The customer pays a portion of the total purchase amount by means of an Account and pays the remaining balance by another payment method, such as cash or check.
- The products or services will be delivered or performed after the Transaction date, one Transaction receipt represents a deposit, and the second Transaction receipt represents payment of the balance. The Merchant must note the words "deposit" and "balance" on the Transaction receipts as appropriate. The second Transaction receipt is contingent on the delivery or performance of the products or services, and must not be presented until after the products or services are delivered or performed.
- The Cardholder has agreed in writing to be billed by the Merchant in installments, and has specified the installment payment schedule and/or each installment payment amount to be billed to the Account.

## Specific Terms of a Transaction

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The Merchant may impose specific terms governing a Transaction by, for example:

1. Printing the specific terms on the Transaction receipt in close proximity to the Cardholder signature line before presenting the Transaction receipt to the Cardholder for signature; or
2. Disclosing the specific terms by other means, such as by signage or literature, provided the disclosure is sufficiently prominent and clear so that a reasonable person would be aware of and understand the disclosure before the Transaction is completed.

Specific Transaction terms may include, for example, such words as "Exchange Only," "In-Store Credit Only," or "Original Packaging Required for Returns." Specific terms may address such matters as late delivery, delivery charges, or insurance charges.



In an e-commerce Transaction:

1. A Cardholder may accept specific Transaction terms by electronic means (for example, by checking a box or clicking a “Submit” button indicating the acceptance of terms and conditions); and
2. A Merchant must clearly communicate, and the Cardholder must specifically accept, any terms concerning a recurring payment Transaction arrangement separately from any other terms (for example, by checking a box or clicking a “Submit” button indicating the acceptance of recurring payment terms and conditions).

In the event of a non-fraud-related dispute, and subject to compliance with other Standards, such specific terms shall be given effect, provided that such specific terms were disclosed to and accepted by the Cardholder before completion of the Transaction.

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## Charges for Loss, Theft, or Damage—MasterCard POS Transactions Only

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A charge for loss, theft, or damage must be processed as a separate Transaction from the underlying rental, lodging, or other Transaction. The Cardholder must authorize the Transaction amount after being informed of the amount and reason for the charge.

The Merchant must provide a reasonable estimate of the cost of repairs and obtain agreement from the Cardholder prior to processing the Transaction. The Transaction must be Card-present, a CVM must be obtained, and the Transaction receipt must include a statement indicating that the estimated amount charged for repairs will be adjusted upon completion of the repairs and submission of the invoice for such repairs.

The final amount of the Transaction relating to the repairs may not exceed the Merchant’s estimated amount by more than 15 percent (or less, as directed by local ordinances). If the actual cost of repairs is less than the estimated amount, the Merchant must credit the difference to the Cardholder by processing a refund Transaction to the same Card account within 30 days.

**NOTE A variation to this Rule appears in the “Europe Region” section at the end of this chapter.**

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## Providing a Transaction Receipt

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Upon the completion of a Transaction, a Merchant, cash disbursement agent, ATM Terminal, and if technically feasible, PIN-based In-Branch Terminal must produce a Transaction receipt (also called a Transaction Information Document, or TID) in a form that is compliant with the Standards and with applicable law or regulation. A copy of the Transaction receipt must be provided to the Cardholder, either automatically or upon the Cardholder’s request. ATM cash withdrawals without receipts are allowed only when the device is out of paper, the Cardholder being duly advised.

**NOTE A variation to this provision of the Rule appears in the “Europe Region” section at the end of this chapter.**

All products and services purchased or cash disbursed in the same Transaction must be included on a single Transaction receipt. A Transaction receipt must also be produced for a refund Transaction.

A Merchant is not required to provide the Cardholder with a copy of the Transaction receipt if:

- The Merchant offers and the Cardholder declines to receive a Transaction receipt; or
- The Transaction is a QPS Transaction or Contactless Transaction that is equal to or less than the CVM limit or Contactless Transaction ceiling limit amount, as applicable, and the Cardholder does not request a Transaction receipt; or
- The Transaction occurs at an unattended POS Terminal and the Cardholder selects **NO** when offered the options to receive or not receive a Transaction receipt.

A POS Terminal identified as a CAT 1, CAT 2, or CAT 3 device and using MCC 5499 (Miscellaneous Food Stores—Convenience Stores, Markets, Specialty Stores) may be deployed without the capability to print a Transaction receipt at the time the Transaction is conducted; however, the Merchant must have a means by which to provide a receipt to the Cardholder upon request. If such means involves the storage, transmission, or processing of Card data, then it must comply with the Payment Card Industry Data Security Standard (PCI DSS). The manner by which a Cardholder may obtain a receipt must be clearly displayed at the vending machine location. An in-flight POS Terminal identified as a CAT 4 device must provide a Transaction receipt, as described in Appendix D.

Refer to “Contactless-only Acceptance” in Chapter 4 for Transaction receipt requirements applicable to POS Terminals that utilize only contactless payment functionality, in accordance with the Standards.

For each completed e-commerce Transaction, a printable receipt page must be displayed after the Cardholder confirms a purchase. With respect to an e-commerce Transaction, non-face-to-face recurring payment Transaction, or any other Transaction upon Cardholder request, a receipt may be sent to the Cardholder by email or other electronic means.

The Acquirer must retain a copy of the Transaction receipt for at least 13 months.

## **POS Transaction Receipt Requirements**

All of the following information must be included on a Transaction receipt:

1. The “doing business as” (DBA) Merchant name, street address, city, state/province, and country, or the ATM or financial institution location as provided in DE 43 (Card Acceptor Name/Location).
2. The Transaction receipt type (retail sale, credit, cash disbursement, refund).
3. The primary account number (PAN), in compliance with “Primary Account Number (PAN) Truncation and Expiration Date Omission.” When a Contactless Payment Device is presented, the Transaction receipt must display the PAN (in truncated form) for the Account accessed by means of that Contactless Payment Device, which may differ from

the PAN on a Card linked to the same Account. If available, the truncated Card PAN may also be displayed for informational purposes.

4. A description and the price of each product and service purchased or returned, including applicable taxes, in detail sufficient to identify the Transaction.
5. The total Transaction amount and Transaction currency. If no currency is identified on the Transaction receipt, the Transaction is deemed to have taken place in the currency that is legal tender at the POI. Refer to "POI Currency Conversion" for additional information that must appear on the Transaction receipt when multiple currencies are offered
6. The Transaction date. (For Transaction date requirements, see Appendix C.)
7. For Card-present MasterCard POS Transactions, a legible imprint of the Card (unless the Card is unembossed) or an electronic recording of the magnetic stripe-read, chip-read, or key-entered Card data. For Card-present Maestro POS Transactions and all Transactions occurring at ATM Terminals and PIN-based In-Branch Terminals, an electronic recording of the magnetic stripe-read or chip-read Card data.
8. The authorization number, if obtained from the Issuer. If multiple authorizations are obtained over the course of the Transaction (as may occur for lodging, cruise line, or vehicle rental Transactions), all authorization numbers, the amounts authorized, and the date of each authorization must be included.
9. For a Chip Transaction, the application label and, at the Acquirer's discretion, the Transaction certificate (in its entirety) and related data.
10. For face-to-face MasterCard unique Transactions and MasterCard Manual Cash Disbursement Transactions:
  - a. With the exception of Card-read Transactions where a non-signature CVM is used, a description of the unexpired, official government document provided as identification by the Cardholder, including any serial number, expiration date, jurisdiction of issue, customer name (if not the same name as present on the Card), and customer address; and
  - b. The four digits printed on the Card front below the primary account number (PAN).
11. On the Cardholder copy, space for the Cardholder's signature (unless no CVM or a non-signature CVM is used).
12. On the Cardholder copy, the words (in English, local language, or both): "IMPORTANT—retain this copy for your records," or words to similar effect.

The Transaction receipt or any other Acquirer or Merchant document must not reflect:

- The PIN, any part of the PIN, or any fill characters representing the PIN; or
- The Card validation code 2 (CVC 2).

If a receipt is produced following an unsuccessful Transaction attempt, the receipt must indicate the response or failure reason.

For additional requirements relating to Transaction Information Documents (TIDs), refer to section 3.11 and Appendix B of the *Security Rules and Procedures*.

**NOTE** An addition to this Rule appears in the "Europe Region" section at the end of this chapter.

## ATM and PIN-based In-Branch Terminal Transaction Receipt Requirements

All of the following information must be included on a Transaction receipt:

1. Identification of the Acquirer (for example, the institution name or logotype);
2. The ATM or PIN-based In-Branch Terminal location;
3. The Transaction amount (in a dual currency environment, the Transaction currency must be identified on the receipt; in all other environments, the Transaction currency symbol is recommended). Refer to "POI Currency Conversion" for additional information that must appear on the Transaction receipt when multiple currencies are offered.
4. The Transaction time and date;
5. Identification of the Card. The PAN must be truncated and the Card expiration date must be omitted, in accordance with section 3.11.4 of the *Security Rules and Procedures* manual;
6. The Transaction type;
7. The Transaction sequence number;
8. For a Chip Transaction, the application label and, at the Acquirer's discretion, the Transaction certificate (in its entirety) and related data; and
9. For Merchandise Transactions only, a statement that the Transaction was for the purchase of products or services.

An ATM or PIN-based In-Branch Terminal must clearly describe, by receipt, screen information, or both, the action taken by the Issuer in response to a Cardholder's request (approved or rejected).

The Transaction receipt must not reflect the PIN, any part of the PIN, or any fill characters representing the PIN.

## Primary Account Number (PAN) Truncation and Expiration Date Omission

A Transaction receipt generated by an electronic Terminal, whether attended or unattended, must not include the Card expiration date. In addition, a Transaction receipt generated for a Cardholder by an electronic Terminal, whether attended or unattended, must reflect only the last four digits of the primary account number (PAN). All preceding digits of the PAN must be replaced with fill characters, such as "X," "\*", or "#," that are neither blank spaces nor numeric characters.

The Corporation strongly recommends that if an electronic POS Terminal generates Merchant copies of Transaction receipts, the Merchant copies should also reflect only the last four digits of the PAN, replacing all preceding digits with fill characters, such as "X," "\*", or "#," that are neither blank spaces nor numeric characters.

**NOTE Additions and/or variations to this Rule appear in the "Canada Region" and "Europe Region" sections at the end of this chapter.**

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## Returned Products and Canceled Services

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A Merchant is required to accept the return of products or the cancellation of services unless specific disclosure was provided at the time of the Transaction.

Upon the return in full or in part of products or the cancellation of a service purchased with a Card, or if the Merchant agrees to a price adjustment on a purchase made with a Card, the following applies:

- If a MasterCard Card was used, the Merchant may not provide a price adjustment by cash, check, or any means other than a credit to the same Card Account used to make the purchase (or a Card reissued by the same Issuer to the same Cardholder). A cash or check refund is permitted for involuntary refunds by airlines or other Merchants only when required by law.
- If a Maestro Card was used, a Merchant may offer a price adjustment by means of a credit, provided the credit is posted to the same Card Account used to make the purchase (or a Card reissued by the same Issuer to the same Cardholder).

In a Card-present environment, the Merchant should ask the Cardholder for a Transaction receipt identifying (by means of a truncated PAN) the payment card used for the original purchase Transaction (but be aware that if a Contactless Payment Device was used, the PAN on a Card linked to the same Account may not match the PAN on the receipt). If the Card used to make the purchase is no longer available, the Merchant must act in accordance with its policy for adjustments, refunds, returns or the like.

### Refund Transactions

A Merchant must process a refund Transaction only for the purpose of crediting funds to a Cardholder for returned products, cancelled services, or a price adjustment related to a prior purchase. The refund Transaction must not exceed the authorized amount of the related purchase POS Transaction.

When the original purchase was...	Then the refund Transaction...
A Chip Transaction	May be completed without Chip Card authentication, Cardholder verification (CVM), or online authorization from the Issuer. No Transaction cryptogram will be produced for a refund Transaction. Refer to the <i>M/Chip Requirements</i> manual for details.
A dual message magnetic stripe Transaction	May be completed without CVM or online authorization from the Issuer.

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When the original purchase was...	Then the refund Transaction...
A single message magnetic stripe Transaction	May be completed without CVM. In a Card-present environment, the Card must be read by the POS Terminal; in a Card-not-present environment, the Card data may be key-entered. Authorization is required; an Issuer must not decline the authorization request solely because no PIN was present in the authorization message.

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If the original POS Transaction was a Card-not-present Transaction, then the presentation of a Card is not required for the refund Transaction. The proportional interchange fee associated with the original POS Transaction is reversed in the refund Transaction.

The Cardholder must be provided a copy of the refund Transaction receipt containing:

- The date of the refund;
- A description of the returned products, canceled services, or adjustment made;
- The amount of the refund; and
- The Merchant's signature.

**NOTE Additions to this Rule appear in the "Europe Region" and "Additional U.S. Region and U.S. Territory Rules" sections at the end of this chapter.**

## Transaction Records

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Each Transaction record must reflect a valid and accurate Transaction date, as defined in Appendix C. A Merchant must provide all products and services included in a Transaction record to the Cardholder at the time of the Transaction unless, prior to completion of the Transaction, the Cardholder agrees to a delayed delivery of products or performance of services.

The following applies with respect to MasterCard POS Transactions:

1. The Merchant must submit each Transaction record to its Acquirer no later than three business days after the Transaction date.
2. As an exception to the foregoing, a Merchant with multiple locations that uses a central facility to accumulate Transaction records completed with manually recorded (imprinted or handwritten) Card data must submit such Transaction records to its Acquirer within 21 calendar days of the Transaction date.
3. Upon providing a full or partial refund for returned products or cancelled services, the Merchant must submit the refund Transaction record to its Acquirer within 15 days of the refund Transaction receipt date, in order to avoid a chargeback for message reason code 4860 (Credit Not Processed).

Upon receiving the Transaction record, the Acquirer must present the Transaction within the applicable presentment timeframe in order to avoid a late presentment chargeback. Refer to *Chargeback Guide* sections 1.7.2, 3.20, and 4.6.7 for more information.

The Acquirer must retain a record of each Transaction it receives or sends for a minimum of 13 months, or such longer period as may be required by applicable law or regulation. During that period, the Acquirer must provide a copy of the Transaction receipt to the Issuer upon request.

## Variations and Additions by Region

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The remainder of this chapter provides modifications to the Standards set out in this chapter. The modifications are organized by region or country and by applicable subject title.

### Asia/Pacific Region

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The following modifications to the Rules apply in the Asia/Pacific Region or in a particular Region country or countries. Refer to Appendix A for the Asia/Pacific Region geographic listing.

#### Merchant Acceptance Procedures

##### Cardholder Must Present Card

###### Accepting a Maestro Card

In the Asia/Pacific Region, the Rule on this subject is modified as follows.

If the POS Terminal's magnetic stripe reader is disabled or the stripe on the Card is unreadable, manual entry of the Card PAN is supported as a fallback procedure. The Cardholder and the Card must be physically present at the location and time of the Transaction, and the Cardholder must enter a PIN to effect the Transaction. An Issuer may decline the Transaction as a result of missing data.

### Canada Region

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The following modifications to the Rules apply in the Canada Region. Refer to Appendix A for the Canada Region geographic listing.

#### Providing a Transaction Receipt

##### Primary Account Number (PAN) Truncation and Expiration Date Omission

In the Canada Region, the Rule on this subject is modified as follows.

The Acquirer must ensure that the Transaction receipts generated for Cardholders by an ATM Terminal or PIN-based In-Branch Terminal that was installed prior to 1 April 2005 and has not been relocated or replaced:

1. Truncates a minimum of any four digits of the PAN. The Corporation strongly recommends that all truncated digits be replaced with fill characters that are neither blank spaces nor numeric characters, such as "x", "\*", or "#"; or
2. Renders a minimum of any four digits of the PAN indeterminable by any Corporation-approved method.

## Europe Region

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The following modifications to the Rules apply in the Europe Region or in a particular Region country or countries. Refer to Appendix A for the Europe Region and Single European Payments Area (SEPA) geographic listing.

### Merchant Acceptance Procedures

#### **Maestro Cardholder Verification—PIN and Signature Requirements**

In the Europe Region, the Rule on this subject is modified as follows.

The Cardholder must be verified by a PIN for each Contactless Transaction conducted in the Europe Region with a Card issued in the Europe Region that exceeds the applicable Contactless Transaction CVM limit amount.

### Obtaining an Authorization for a MasterCard POS Transaction

In the Europe Region, the Rule on this subject is modified as follows.

A Merchant must inform the Cardholder of any estimated amount for which authorization will be requested and must obtain the Cardholder's consent to the amount before initiating the authorization request. This requirement does not apply to:

- Contactless transit aggregated Transactions and transit debt recovery Transactions,
- Automated fuel dispenser (AFD) Transactions (MCC 5542), or
- An authorization requested for an amount otherwise confirmed by the Cardholder to be the final Transaction amount.

To extend the duration of the reason code 4808 chargeback protection period afforded for each approved authorization, the Merchant may submit additional authorization requests for the same Transaction on later dates, as described in "Acquirer Authorization Requirements" in Chapter 2.

#### **Authorization of Lodging, Cruise Line, and Vehicle Rental Transactions**

In the Europe Region, the Rule on this subject is modified as follows.

The Transaction amount submitted by the Merchant for a lodging, cruise line, or vehicle rental Transaction must not exceed the approved amount. If the Merchant obtains a preauthorization for an estimated amount, and the Transaction amount will exceed the approved amount, the Merchant may request an additional authorization. In connection with such a Transaction, the Issuer must not place a hold on funds in the Cardholder's Account in excess of the approved amount.



### **Authorization When the Cardholder Adds a Gratuity**

In the Europe Region, the Rule on this subject is modified as follows.

The Transaction amount must not exceed the approved amount for the purpose of adding a gratuity unless the Transaction is a Card-present Transaction that is neither a chip/PIN Transaction nor a Contactless Transaction, and provided the authorization is coded as a preauthorization. If the Merchant obtains a preauthorization for an estimated amount, and the Transaction amount exceeds the approved amount, the Merchant may request an additional authorization.

When the Transaction amount must not exceed the approved amount for the purpose of adding a gratuity, any gratuity must be included in the Transaction authorization request. In connection with such a Transaction, the Issuer must not place a hold on the Cardholder's Account in excess of the approved amount.

### **Obtaining an Authorization for a Maestro POS Transaction**

In the Europe Region, the Rule on this subject is modified as follows.

A Merchant must inform the Cardholder of any estimated amount for which authorization will be requested and must obtain the Cardholder's consent to the amount before initiating the authorization request. This requirement does not apply to:

- Contactless transit aggregated Transactions and transit debt recovery Transactions,
- Automated fuel dispenser (AFD) Transactions (MCC 5542), or
- An authorization requested for an amount otherwise confirmed by the Cardholder to be the final Transaction amount.

To extend the duration of the reason code 4808 chargeback protection period afforded for each approved authorization, the Merchant may submit additional authorization requests for the same Transaction on later dates, as described in "Acquirer Authorization Requirements" in Chapter 2.

An authorization is not required for a dual message Maestro refund Transaction.

### **Charges for Loss, Theft, or Damage—MasterCard POS Transactions Only**

In the Europe Region, the Rule on this subject is modified as follows.

The final amount of a Transaction relating to repairs must not exceed the Merchant's estimated amount. If the Merchant obtains a preauthorization for an estimated amount, and the Transaction amount exceeds the approved amount, the Merchant may request an additional authorization.

In connection with such Transactions, the Issuer must not place a hold on the Cardholder's Account in excess of the approved amount.

### **Providing a Transaction Receipt**

In the Europe Region, the first paragraph of the Rule on this subject, as it applies to ATM Terminals, is modified as follows.

For every completed Transaction, an ATM Terminal with receipt printing capability must make a receipt available to the Cardholder, either automatically or upon the Cardholder's request. A cash withdrawal without a printed receipt at an ATM Terminal is allowed only if the device is out of paper and the Cardholder is advised prior to the Transaction that a printed receipt is not available.

### **POS Transaction Receipt Requirements**

In the Europe Region, the Rule on this subject is modified as follows.

An electronically-generated Terminal receipt may print the Transaction amount in the Transaction currency and a maximum of one different currency.

The Transaction amount printed in a different currency must be at the bottom of the receipt with a clear indication that it is being provided only for information purposes.

### **Primary Account Number (PAN) Truncation and Expiration Date Omission**

In the **Netherlands**, the Rule on this subject is replaced with the following:

A Transaction receipt generated by an electronic Terminal, whether attended or unattended, must not include the Card expiration date. In addition, a Transaction receipt generated for a Cardholder by an electronic Terminal, whether attended or unattended, must reflect a maximum of four of the last seven digits of the PAN. All non-reflected digits of the PAN must be replaced with fill characters, such as "X," "\*", or "#."

The Corporation strongly recommends that if a POS Terminal generates a Merchant copy of the Transaction receipt, the Merchant copy should also reflect a maximum of four of the last seven digits of the PAN, replacing all non-reflected digits with fill characters that are neither blank spaces nor numeric characters, such as "X," "\*", or "#."

## **Returned Products and Canceled Services**

### **Refund Transactions**

In the Europe Region, the Rule on this subject is modified as follows with respect to Maestro POS Transaction refunds:

The refund Transaction may be used to return the unused gambling value to the Cardholder, up to the amount of the original purchase occurring on a Maestro Card. The Gaming Payment Transaction must be used to transfer gambling winnings to the Cardholder.

A refund of a Maestro Transaction may be processed to a Card as a MOTO Transaction using manual key entry of the PAN and without reading the magnetic stripe or chip on the Card. An Issuer must technically support Maestro refund Transactions processed as MOTO Transactions.

A Transaction printout must be generated for a refund Transaction, with the exception of a refund processed as a MOTO Transaction.

## Latin America and the Caribbean Region

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The following modifications to the Rules apply in the Latin America and the Caribbean Region. Refer to Appendix A for the Latin America and the Caribbean Region geographic listing.

### Maestro Cardholder Verification—PIN and Signature Requirements

In the Latin America and the Caribbean Region, the Rule on this subject is modified as follows.

The Cardholder must be verified by a PIN for:

- Each Maestro Contactless Transaction conducted in Brazil, Chile, or Colombia with a Card issued in Brazil, Chile, or Colombia that exceeds the applicable Contactless Transaction CVM limit amount, and
- Each Maestro Contactless Magnetic Stripe Transaction conducted in Brazil with a Card issued in Brazil that exceeds BRL 50. A CVM is not required for a Contactless Magnetic Stripe Transaction that is less than or equal to BRL 50.

## United States Region

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The following modifications to the Rules apply in the United States (U.S.) Region. Refer to Appendix A for the U.S. Region geographic listing.

### Maestro Cardholder Verification—PIN and Signature Requirements

In the U.S. Region, the Rule on this subject is modified as follows.

The Cardholder must be verified by a PIN for each Maestro Contactless Transaction that exceeds the applicable Contactless Transaction CVM limit amount.

No PIN is required when a POS Transaction is conducted as described in “PIN-less Single Message Transactions” in Chapter 4.

### Use of Card Validation Code 2 (CVC) 2

In the United States Region, the Rule on this subject is modified as follows.

In a Card-present environment, a Merchant that is unable to obtain a Card-read authorization by means of the Card’s magnetic stripe may request a Card validation code (CVC) 2 verification from the Issuer for a MasterCard POS Transaction, in lieu of obtaining a Card imprint. For more information, refer to section 3.6 of the *Chargeback Guide*.

## Additional U.S. Region and U.S. Territory Rules

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The following variations and additions to the Rules apply in the United States Region and in American Samoa, Guam, Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands (herein, “the U.S. Territories”).

These Rules apply in addition to any that apply within the Asia/Pacific Region, with respect to Customers located in American Samoa, Guam, and Northern Mariana Islands; the Latin America and the Caribbean Region, with respect to Customers located in Puerto Rico and the U.S. Virgin Islands; and the United States Region, with respect to U.S. Region Customers.

## **Returned Products and Canceled Services**

### **Refund Transactions**

In the U.S. Region and U.S. Territories, the Rule on this subject is modified as follows.

The refund Transaction must include a full or prorated Brand-Level Surcharge or Product-Level Surcharge amount, as the terms Brand-Level Surcharge and Product-Level Surcharge are defined in Rule 5.11.2 of the *MasterCard Rules*, when the original purchase Transaction included a Brand-Level Surcharge or Product-Level Surcharge.

## Chapter 4 Card-Present Transactions

*The following Standards apply with regard to Transactions that occur in a Card-present environment, at attended or unattended Terminals. Where applicable, modifications by region and/or country are provided at the end of this chapter in the section titled, "Variations and Additions by Region."*

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## Chip Transactions at Hybrid POS Terminals

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A Customer must comply with the Standards set forth in the *MI/Chip Requirements* manual, as modified from time to time, when deploying Hybrid POS Terminals and processing Chip Transactions. For information about chip and chip/PIN liability shifts, see section 3.5 of the *Chargeback Guide*. For information about chip-related incentive interchange rates, see the applicable regional *Interchange Manual*. The following applies with respect to MasterCard POS Transactions.

As used in this Rule, the following terms have the meanings described:

- “PIN-capable Hybrid POS Terminal” means a Hybrid POS Terminal that is capable at a minimum of performing offline PIN verification when a PIN-preferring Chip Card is presented. It may also be capable of online PIN verification and if attended, must accept signature.
- “PIN-preferring Chip Card” means a Chip Card that has been personalized so that the offline PIN CVM option appears in the Card’s CVM list with a higher priority than the signature option, indicating that PIN is preferred to signature at any POS Terminal that supports PIN.

A Chip Transaction must occur at a Hybrid POS Terminal and be authorized by the Issuer or the chip, resulting in the generation of a unique Transaction Certificate (TC). The Acquirer must send the EMV chip data in DE 55 (Integrated Circuit Card [ICC] System-Related Data) of the Authorization Request/0100 or Financial Transaction Request/0200 message and in DE 55 of the First Presentment/1240 message. A value of 2 or 6 must also be present in position 1 of the three-digit service code in DE 35 (Track 2 Data) of the Authorization Request/0100 or Financial Transaction/0200 message.

A chip/PIN Transaction is a Chip Transaction that is processed at a PIN-capable Hybrid POS Terminal with a PIN-preferring Chip Card and completed with offline or online PIN as the CVM. The Cardholder may retain control of the Card while a chip/PIN Transaction is performed.

A non-face-to-face Chip Transaction processed using a Cardholder-controlled remote device is permitted if the Acquirer has received an Application Authentication Cryptogram (AAC) and the Issuer’s approval of the Merchant’s authorization request.

**NOTE A variation to this Rule appears in the “United States Region” section at the end of this chapter.**

## Offline Transactions Performed on Board Planes, Trains, and Ships

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A Customer may process a Chip Transaction that takes place at the offline-only Hybrid POS Terminal of a Merchant with no fixed location (for example, aboard a plane, train or ship), if all the following conditions are satisfied:



1. The Hybrid POS Terminal has no online capability and does not perform fallback procedures from chip to magnetic stripe.
2. The Hybrid POS Terminal prompted for PIN as the CVM and the EMV chip provided offline verification of the PIN entered by the Cardholder.
3. The Hybrid POS Terminal recommended Transaction approval. If the Hybrid POS Terminal recommends against Transaction approval based on its own risk parameters, the Transaction must not proceed.
4. If a **MasterCard Card** was presented, the Card declined the offline authorization request. The Acquirer processes such declined Transactions at the risk of receiving authorization-related chargebacks. If a **Maestro Card** was presented, the Merchant processed the Transaction offline as a Merchant-approved Maestro POS Transaction.
5. The Merchant is identified with one of the following MCCs:
  - a. MCC 4111 (Transportation—Suburban and Local Commuter Passenger, including Ferries)
  - b. MCC 4112 (Passenger Railways)
  - c. MCC 5309 (Duty Free Stores)
6. If applicable, the Acquirer provides in the First Presentment/1240 message:
  - a. The value of F (Offline Chip) in DE 22 (Point of Service Entry Mode), subfield 7 (Card Data Input Mode).
  - b. The Application Authentication Cryptogram (AAC) in DE 55.

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## No-CVM Magnetic Stripe and Contact Chip Maestro POS Transactions—Europe Region Only

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**NOTE A Rule on this subject appears in the “Europe Region” section at the end of this chapter.**

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## MasterCard Contactless Transactions

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A MasterCard Contactless Transaction is conducted at a POS Terminal with contactless payment functionality.

For a MasterCard Contactless Transaction in an amount equal to or less than the applicable Contactless Transaction CVM limit amount (as defined by Merchant location and published in Appendix C of the *Chargeback Guide*):

- The Transaction is completed with no Cardholder verification method (“NO CVM” as the CVM); and
- The provision of a Transaction receipt to the Cardholder is at the Merchant’s option. The Merchant must provide a receipt at the Cardholder’s request.

When the CVM limit amount is exceeded:

- A MasterCard *PayPass* magnetic stripe profile Transaction is conducted with signature as the CVM; and
- A MasterCard *PayPass* M/Chip Transaction is conducted with either signature or PIN as the CVM.

For MasterCard Contactless Transaction identification requirements, see Appendix C.

**NOTE Additions to this Rule appear in the “Canada Region” and “Latin America and the Caribbean Region” sections at the end of this chapter.**

## MasterCard Contactless Transit Aggregated Transactions

MasterCard Contactless transit Transactions are permitted only in connection with specific MCCs and can be pre-funded, real-time authorized, aggregated, or for debt recovery.

A MasterCard Contactless transit aggregated Transaction occurs when the transit Merchant's Acquirer generates a First Presentment/1240 message combining one or more contactless taps performed with one MasterCard Account at one transit Merchant. A “tap” means the Cardholder's tap of the Card or Contactless Payment Device on the contactless reader of the POS Terminal with each ride taken. In order for the transit Merchant to receive chargeback protection, all of the following must occur:

1. The Merchant must send a properly identified Authorization Request/0100 message (which can be for any amount).
2. The Issuer must approve the Transaction.
3. The combined amount of the taps must be equal to or less than the applicable chargeback protection amount.
4. The maximum time period from the first tap until the First Presentment/1240 message is generated must be 14 calendar days or less.

Upon the Cardholder's request, the Merchant must provide a list of the taps (the date and fare for each ride taken) that were combined into a First Presentment/1240 message.

For MasterCard Contactless transit aggregated Transaction identification requirements, see Appendix C.

## Contactless EMV Mode Transaction Offline Authorization Limit Amounts

A Contactless EMV Mode Transaction may be authorized offline in accordance with the Chip Transaction floor limits set forth in Chapter 5 of the *Quick Reference Booklet* except with respect to Transactions occurring at Merchants located in the countries listed in this section. In these countries, a different offline authorization limit applies to Contactless EMV Mode Transactions.

If a Contactless EMV Mode Transaction exceeds the applicable offline authorization limit amount, the Transaction must be authorized online by the Issuer. If the Transaction amount is equal to or less than the applicable offline authorization limit amount, the Transaction may be authorized offline by the EMV chip.

## United Kingdom

In the United Kingdom, the Contactless EMV Mode Transaction offline authorization limit amount is GBP 20.

## Asia/Pacific Region

In the Asia/Pacific Region, MasterCard has established the following Contactless EMV Mode Transaction offline authorization limit amounts for the following countries:

In this Asia/ Pacific Region country...	The Contactless EMV Mode Transaction offline authorization limit amount is...
Australia	AUD 100
Hong Kong	HKD 500
Macao	MOP 500
Malaysia	MYR 150
New Zealand	NZD 80
Singapore	SGD 100

The amounts for the Asia/Pacific Region specified in the table apply only to qualifying Transactions at Merchants properly identified using any of the following MCCs. For all other Merchants in these countries, see the Asia/Pacific Region section in Chapter 5 of the *Quick Reference Booklet*.

MCC	Description
4111	Transportation—Suburban and Local Commuter, Passenger, Including Ferries
4121	Limousines and Taxicabs
4131	Bus Lines
4784	Bridges and Road Fees, Tolls
5411	Grocery Stores, Supermarkets
5499	Miscellaneous Food Stores—Convenience Stores, Markets, Specialty Stores

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MCC	Description
5541	Service Stations (with or without Ancillary Services)
5735	Record Shops
5814	Fast Food Restaurants
5912	Drug Stores, Pharmacies
5942	Book Stores
5994	News Dealers and Newsstands
7216	Dry Cleaners
7523	Automobile Parking Lots and Garages
7542	Car Washes
7832	Motion Picture Theaters
7841	Video Entertainment Rental Stores

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### Mobile MasterCard Contactless EMV Mode Transactions—Europe Region Only

**NOTE A Rule on this subject appears in the “Europe Region” section at the end of this chapter.**

### Maestro Contactless Transactions

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A Maestro Contactless Transaction is conducted at a POS Terminal with contactless payment functionality.

In all Merchant locations except Merchant locations in the countries listed below, a Maestro Contactless Transaction ceiling limit applies. Where a ceiling limit applies, contact functionality must be used to complete a Transaction that exceeds the amount published in Appendix C of the *Chargeback Guide*, as applicable to the Merchant. In the Merchant locations listed below, the published amounts are CVM limits for all Contactless Transactions except Contactless transit aggregated Transactions:

- Brazil
- Chile
- Colombia
- Europe Region (all countries)

- United States

In the listed countries, a Maestro Contactless Transaction equal to or less than the applicable CVM limit amount is performed without a CVM. If the Transaction amount exceeds the CVM limit, a Maestro Contactless Transaction is permitted provided that the Cardholder is verified by means of online PIN.

For a Maestro Contactless Transaction in an amount equal to or less than the applicable limit amount, the provision of a Transaction receipt to the Cardholder is at the Merchant's option. The Merchant must provide a receipt at the Cardholder's request.

For Maestro Contactless Transaction identification requirements, see Appendix C.

**NOTE An addition to this Rule appears in the "Europe Region" section at the end of this chapter. Refer to "CVC 3 Verification" in the "Latin America and the Caribbean Region" section for a Rule applicable to Maestro Contactless Magnetic Stripe Transactions.**

## Maestro Contactless Transit Aggregated Transactions

A Maestro Contactless transit aggregated Transaction occurs when the Acquirer generates a Financial Transaction Request/0200 message for an estimated or maximum amount in connection with the use of one Maestro Account at one transit Merchant. A Maestro Contactless transit aggregated Transaction must be processed as follows:

1. The Merchant sends a Financial Transaction Request/0200 message with a value of 06 in DE 48, subelement 64, subfield 1 (Transit Transaction Type Indicator) for an estimated or maximum amount not to exceed the applicable Contactless transit aggregated Transaction ceiling limit amount.
2. The Issuer must approve the Transaction.
3. The Cardholder may make subsequent taps for additional rides; these taps will not be sent to the Issuer for authorization. The combined amount of the taps must be equal to or less than the applicable Contactless transit aggregated Transaction ceiling limit amount.
4. When the limit is reached or within three calendar days, the Merchant totals the value of all taps and generates an Acquirer Reversal Advice/0420 to reverse any unused funds.

The Merchant must inform the Cardholder that the amount held from the available funds in the Account may be greater than the cost of a single fare, and the Merchant must inform the Cardholder of the amount of time that the Merchant requires to reverse all unused funds. This information may be provided on the Merchant's Website, included in call center scripts, and/or displayed within the transit Merchant's system. The Merchant must also provide specific tap information to the Cardholder upon request.

For Maestro Contactless transit aggregated Transaction identification requirements, refer to Appendix C.

**NOTE Variations to this Rule appear in the "Europe Region" and "Latin America and the Caribbean Region" sections at the end of this chapter.**

## Contactless-only Acceptance

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Where approved by MasterCard (either on a country-by-country or case-by-case basis), an Acquirer may sponsor Merchants that deploy POS Terminals or MPOS Terminals that utilize only contactless payment functionality. In such event, the Acquirer must ensure that, should any of its Merchants approved by MasterCard to deploy POS Terminals or MPOS Terminals that utilize only contactless payment functionality subsequently deploy POS Terminals or MPOS Terminals with contact payment functionality, such POS Terminals and MPOS Terminals accept and properly process Transactions.

MasterCard has approved the following for Contactless-only acceptance:

1. Merchants that deploy single-vehicle parking meters (MCC 7523)
2. Merchants that deploy single-ride bus fare collection devices (MCC 4131)
3. Merchants that use the following MCCs:
  - a. MCC 4111—Transportation—Suburban and Local Commuter Passenger, including Ferries
  - b. MCC 4112—Passenger Railways
  - c. MCC 4789—Transportation Services—not elsewhere classified
4. Merchants located in Austria, Belgium, Canada, Germany, Italy, Poland, the Netherlands, Russian Federation, Slovenia, Spain, Switzerland, Turkey, Ukraine, the United Kingdom, or the United States that deploy any type of parking meters, including multiple-vehicle parking meters (MCC 7523).
5. Merchants that deploy vending machines (MCC 5499).
6. Subject to Corporation approval on a case-by-case basis, Merchants operating mass events, festivals, and sports arenas located in Hungary, Poland and the United Kingdom under the following MCCs:
  - a. MCC 7941—Athletic Fields, Commercial Sports, Professional Sports Clubs, Sports Promoters
  - b. MCC 7929—Bands, Orchestras, and Miscellaneous Entertainers not elsewhere classified
  - c. MCC 5811—Caterers
  - d. MCC 7922—Theatrical Producers (except Motion Pictures), Ticket Agencies
  - e. MCC 7999—Recreational Services—not elsewhere classified
7. Merchants located in Poland that use MCC 5994—News Dealers and Newsstands.

POS Terminals that utilize only contactless payment functionality at Merchants identified with the following MCCs are not required to provide a Transaction receipt at the time the Transaction is conducted; however, the Merchant must have a means by which to provide a receipt to the Cardholder upon request. If such means involves the storage, transmission, or processing of Card data, then it must comply with the *Payment Card Industry Data Security Standard* (PCI DSS). The manner in which to request a receipt must be clearly displayed at the Merchant location.

- MCC 4111—Transportation—Suburban and Local Commuter, Passenger, including Ferries
- MCC 4112—Passenger Railways
- MCC 4131—Bus Lines
- MCC 4789—Transportation Services—not elsewhere classified
- MCC 5499—Miscellaneous Food Stores—Convenience Stores, Markets, Specialty Stores (for vending machines only)
- MCC 7523—Automobile Parking Lots and Garages

For requirements related to the identification of Contactless-only Transactions occurring at an unattended POS Terminal, see Appendix C.

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## Quick Payment Service (QPS) Program—MasterCard POS Transactions Only

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A Quick Payment Service (QPS) Transaction is a magnetic stripe-based or chip-based face-to-face MasterCard POS Transaction approved by the Issuer that occurs at a Merchant in an eligible Merchant category and for an amount equal to or less than the applicable QPS Transaction CVM limit amount, as defined by Merchant country in Appendix C of the *Chargeback Guide*. For each QPS Transaction:

- Use of signature as the CVM is at the Merchant's option; and
- The provision of a Transaction receipt to the Cardholder is at the Merchant's option. The Merchant must provide a receipt at the Cardholder's request.

The QPS Program does not impact PIN requirements. A Hybrid POS Terminal must prompt for PIN when a PIN-preferring Chip Card is presented.

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## Purchase with Cash Back Transactions

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Purchase with cash back is an optional service that a Merchant may offer, with the prior approval of its Acquirer, at the Point of Interaction (POI) in a Card-present, face-to-face Transaction environment only. The following requirements apply to purchase with cash back Transactions:

1. A purchase with cash back Transaction is a Transaction arising from the use of a Debit MasterCard Card (but not any other type of MasterCard Card) or a Maestro Card.
2. In a purchase with cash back Transaction, cash may only be provided in combination with a purchase.
3. An education program must be established for the staff of any Merchant that chooses to offer purchase with cash back Transactions, including but not limited to POS Terminal operators.
4. An offer of purchase with cash back that is promoted at the POI must be available to all Cardholders. The Merchant may prompt the Cardholder to use this service.

5. Acquirers or Merchants may establish a minimum and/or maximum cash back amount for the purchase with cash back Transaction, provided that:
  - a. Any minimum or maximum amount is applied uniformly to all Cardholders.
  - b. Any minimum amount is not greater than the minimum amount established for any other payment means accepted at the Merchant location.
  - c. Any maximum amount is not less than the maximum amounts established for any other payment means at the Merchant location.
  - d. For Debit MasterCard purchase with cash back Transactions, a maximum cash back amount must be established that does not exceed USD 100 or the local currency equivalent.
  - e. For Maestro signature-verified and cross-border purchase with cash back Transactions, a maximum cash back amount must be established that does not exceed USD 100 or the local currency equivalent. Maestro signature-verified purchase with cash back Transactions may be conducted in signature waiver countries only.
6. The Acquirer must obtain online authorization approval for the full Transaction amount; support for authorization of the purchase amount only is optional.
7. The authorization and clearing messages of each purchase with cash back Transaction must comply with the following requirements:
  - a. The Transaction must be identified with a value of 09 (purchase with cash back) in DE 3 (Processing Code), subfield 1 (Cardholder Transaction Type).
  - b. The purchase amount, cash back amount, and total Transaction amount must be in the same currency.
  - c. The total Transaction amount (inclusive of the purchase and cash back amounts) must be transmitted in DE 4 (Amount, Transaction).
  - d. The cash back amount must be transmitted in DE 54 (Amounts, Additional).

**NOTE Variations to this Rule appear in the "Asia/Pacific Region," "Canada Region," "Europe Region," "South Asia/Middle East/Africa Region," and "United States Region" sections at the end of this chapter.**

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## Transactions at Unattended POS Terminals

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A POS Transaction occurring at an unattended POS Terminal is a non-face-to-face Transaction, since no Merchant representative is present at the time of the Transaction. Examples of unattended POS Terminals include ticket dispensing machines, vending machines, automated fuel dispensers, toll booths, and parking meters.

A MasterCard POS Transaction that occurs at an unattended POS Terminal must be identified as a Cardholder-Activated Terminal (CAT) Transaction, as described in Appendix D.

Transaction messages used at unattended POS Terminals must communicate to the Cardholder, at a minimum, the following:

- Invalid Transaction



- Unable to Route
- Invalid PIN—re-enter (if PIN entry is supported)
- Capture Card (if Card retention is supported)

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## Automated Fuel Dispenser Transactions

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**NOTE** Rules on this subject appear in the “Asia/Pacific Region” (pertaining to Malaysia), “Canada Region,” “Europe Region,” and “United States Region” sections at the end of this chapter.

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## PIN-based Debit Transactions—United States Region Only

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**NOTE A** Rule on this subject appears in the “United States Region” section at the end of this chapter.

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## PIN-less Single Message Transactions—United States Region Only

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**NOTE A** Rule on this subject appears in the “United States Region” section at the end of this chapter.

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## Merchant-approved Maestro POS Transactions

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This Rule applies to all Merchant-approved Maestro POS Transactions whether processed via the MasterCard Single Message System or the MasterCard Dual Message System. Refer to chapter 3 of the *MI/Chip Requirements for Contact and Contactless* for more detailed information on processing Merchant-approved Maestro POS Transactions that are Chip Transactions.

An Acquirer may elect to accept Merchant-approved Maestro POS Transactions from a Merchant that accepts Maestro Cards. A Merchant-approved Maestro POS Transaction may occur only when the POS Terminal cannot receive an online authorization for a Transaction because of technical difficulties between the Acquirer and the Interchange System or the Interchange System and the Issuer, or other temporary technical problems. Each Acquirer must forward all stored Transactions by means of electronic store-and-forward as soon as the technical problem has been resolved.

The Issuer must treat all Merchant-approved Maestro POS Transactions received by means of the Single Message System as financial request messages. If the Issuer is unavailable to authorize or decline a Merchant-approved Maestro POS Transaction at the time of presentment, the Interchange System indicates this, and returns the Transaction to the

Acquirer. These returned Transactions may be submitted by the Acquirer to the Interchange System every 30 minutes, until a response is received from, or on behalf of the Issuer.

Merchant-approved Maestro POS Transactions settle only upon authorization by the Issuer. The Acquirer bears all responsibility for a Merchant-approved Maestro POS Transaction that is declined by the Issuer.

If a Merchant-approved POS Transaction is declined by the Issuer for insufficient funds, or because the Transaction exceeds withdrawal limits, the Acquirer may resubmit the Transaction once every 24 hours for a period ending 13 calendar days after the Transaction date. If the Issuer accepts the Transaction on submission or resubmission, the Issuer's liability is the same as for an online Transaction.

An Issuer is not required to assist an Acquirer in any attempt to collect on a systemically rejected Merchant-approved POS Transaction. The Issuer must make reasonable efforts to collect the Transaction amount, but in doing so, assumes no liability.

**NOTE A variation to this rule appears in the "Europe Region" section at the end of this chapter.**

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## MasterCard Manual Cash Disbursement Transactions

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A cash disbursement may be provided to a MasterCard Cardholder by a Customer at its offices and through its authorized agents. For purposes of this Rule, an authorized agent is a financial institution authorized to provide cash disbursement services on behalf of a Customer pursuant to written agreement with the Customer.

The Customer and each of its authorized cash disbursement agents must comply with the requirements set forth in "MasterCard Manual Cash Disbursement Acceptance Procedures" in Chapter 3.

A cash disbursement to a Maestro or Cirrus Cardholder is performed at a PIN-based In-Branch Terminal. Refer to Chapter 7 for PIN-based In-Branch Terminal requirements.

### Non-discrimination Regarding Cash Disbursement Services

Each Customer and each of its authorized cash disbursement agents must comply with the following requirements at each office at which any cash disbursement services are afforded:

1. Not discriminate against or discourage the use of Cards in favor of any card or device bearing or otherwise issued or used in connection with another acceptance brand; and
2. Provide cash disbursement services to all Cardholders on the same terms and regardless of the Issuer.

**NOTE An addition to this Rule appears in the "United States Region" section at the end of this chapter.**

## Maximum Cash Disbursement Amounts

A Customer and each of its authorized cash disbursement agents may limit the amount of cash provided to any one Cardholder in one day at any individual office. Such limit may not be less than USD 5,000 per Cardholder in one day and uniformly must be applied to all Cardholders.

If compliance with this Rule would cause hardship to one or more (but not all) of such individual offices that are required or permitted to provide cash disbursement services, the Customer may establish a maximum cash disbursement amount of less than USD 5,000 per person in one day at each such office, provided that the maximum cash disbursement amount:

1. Is not less than USD 1,000;
2. Is not less than the maximum cash disbursement amount established for any other acceptance brand at the office; and
3. Applies only at those offices where the Customer can, if requested by MasterCard, demonstrate that a higher maximum would create a hardship.

**NOTE A variation to this Rule appears in the “Europe Region” section at the end of this chapter.**

## Discount or Service Charges

The Customer and each of its authorized cash disbursement agents must disburse all cash disbursements at par without any discount and without any service or other charge to the Cardholder, except as may be imposed to comply with applicable law. Any charge imposed to comply with applicable law must be charged to and paid by the Cardholder separately and must not be included in the total amount of the cash disbursement.

## MasterCard Acceptance Mark Must Be Displayed

A Customer and each of its authorized cash disbursement agents must display the MasterCard Acceptance Mark as required by the Standards at each location where the Customer or any such agent provides cash disbursements to MasterCard Cardholders.

## Encashment of MasterCard Travelers Cheques

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Each MasterCard Customer must encash MasterCard® Travelers Cheques issued in any currency when presented for payment at any of its locations, provided:

1. Such encashment is permitted by law; and
2. The Customer has the ability (including a foreign exchange capability, with respect to a currency other than U.S. currency MasterCard Travelers Cheques presented for encashment) to encash such cheques as a result of the business it normally conducts at a location. If the encashing Customer encashes any other brand of travelers cheques at a

location, the Customer may impose terms and conditions for the encashment of MasterCard Travelers Cheques that it uses to encash other brands of travelers cheques.

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## ATM Transactions

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The following Rules apply to the processing of any Transaction initiated with a Card or an Access Device at an ATM Terminal and routed by means of the Interchange System. For Chip Transaction processing requirements, refer to “Hybrid Terminal Requirements” and “Hybrid ATM and PIN-based In-Branch Terminal Requirements” in Chapter 7.

### “Chained” Transactions

An Acquirer that deploys ATM Terminals that do not retain the Card internally until all Transactions requested by the Cardholder are completed must require the Cardholder to re-enter the PIN for every additional financial Transaction performed. This requirement applies to card swipe readers, card dip readers, and similar devices where a card is not held within the device, and is removed prior to Transaction completion.

### ATM Transaction Branding

If a Customer that does not have a MasterCard License acquires an ATM transaction initiated by a MasterCard Card that does not display the Maestro and/or Cirrus Marks and sends it through the MasterCard ATM Network, that transaction is deemed to be an ATM Transaction and all Rules regarding ATM Transactions will apply.

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## ATM Access Fees

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An ATM Access Fee may be charged by an Acquirer only in connection with a cash withdrawal Transaction or a Shared Deposit Transaction that is initiated at the Acquirer’s ATM Terminal with a Card. The ATM Access Fee is added to the amount of the Transaction transmitted to the Issuer.

For purposes of this Rule, a Transaction is any Transaction routed through the MasterCard ATM Network. Nothing contained in this Rule affects the right of an Issuer to determine what fees, if any, to charge its Cardholders.

### ATM Access Fees—Domestic Transactions

A Cardholder may not be assessed or be required to pay an ATM Access Fee or other fee types imposed, or advised of, at an ATM, in connection with a Domestic Transaction.

**NOTE Variations to this Rule appear in the “Asia/Pacific Region” (pertaining to Australia), “Canada Region,” “Europe Region,” “Latin America and the Caribbean Region,” and “United States Region” sections at the end of this chapter.**

## **ATM Access Fees—Cross-border Transactions**

Unless prohibited by local law or regulations, an Acquirer, upon complying with the ATM Access Fee notification requirements, may assess an ATM Access Fee on a Cross-border Transaction, so long as the Acquirer applies the ATM Access Fee in a consistent and nondiscriminatory manner.

## **ATM Access Fee Requirements**

An Acquirer that applies or plans to apply an ATM Access Fee to Domestic Transactions, Cross-border Transactions, or both must comply with all of the following requirements.

### **Transaction Field Specifications for ATM Access Fees**

At the time of each Transaction on which an ATM Access Fee is imposed, the Acquirer of such Transaction must transmit, in the field specified by the applicable technical specifications manual or other applicable technical specifications manual then in effect, the amount of the ATM Access Fee separately from the amount of the cash disbursed in connection with such Transaction.

### **Non-discrimination Regarding ATM Access Fees**

An Acquirer must not charge an ATM Access Fee in connection with a Transaction that is greater than the amount of any ATM Access Fee charged by that Acquirer in connection with the transactions of any network accepted at that ATM Terminal.

### **Notification of ATM Access Fee**

An Acquirer that wishes to charge an ATM Access Fee must notify its Sponsoring Principal, in writing, of its intent to do so prior to the planned first imposition of such ATM Access Fee by the Acquirer.

The Principal must update the Location Administration Tool (LAT) regarding its or its Affiliates' imposition of ATM Access Fees.

### **Cancellation of Transaction**

Any Acquirer that plans to charge an ATM Access Fee must notify the Cardholder with a screen display that states the ATM Access Fee policy and provides the Cardholder with an option to cancel the requested Transaction.

### **Sponsor Approval of Proposed Signage, Screen Display, and Receipt**

An Affiliate that plans to charge an ATM Access Fee to a Transaction must submit proposed ATM Terminal signage, screen display, and receipt "copy" that meets the requirements of the Rules to its Sponsor in writing for approval prior to use, unless such Acquirer employs the model form provided in Appendix E.

The Sponsor has the right to determine the acceptability of any new or changes to previously approved signage, screen display, and receipt copy. In cases of conflict between the Acquirer

and its Sponsor, MasterCard has the sole right to determine the acceptability of any and all signage, screen display, and receipt copy.

### **ATM Terminal Signage**

An Acquirer that plans to charge an ATM Access Fee may optionally display signage that is clearly visible to Cardholders on or near all Terminals at which ATM Access Fees apply.

The minimum requirement for ATM Access Fee signage text is wording that clearly states:

1. The identity of the ATM owner and of the Principal;
2. That the Transaction will be subject to an ATM Access Fee that will be deducted from the Cardholder's Account in addition to any Issuer fees;
3. The amount of, calculation method of, or Corporation-approved generic signage regarding the ATM Access Fee;
4. That the ATM Access Fee is assessed by the Acquirer instead of the Issuer;
5. That the ATM Access Fee is assessed on Cross-border Transactions only or Domestic Transactions only, if applicable.

The minimum requirements for ATM Terminal signage (physical characteristics) are as follows:

1. The signage must bear the heading "Fee Notice";
2. The size of the signage must be a minimum of four inches in height by four inches in width;
3. The text must be clearly visible to all; a minimum of 14-point type is recommended;
4. The heading must be clearly visible to all; a minimum of 18-point type is recommended.

Refer to Appendix E for a model of ATM Terminal signage relating to ATM Access Fee application.

### **ATM Terminal Screen Display**

An Acquirer that plans to charge an ATM Access Fee must present a screen display message that is clearly visible to Cardholders on all ATM Terminals at which ATM Access Fees apply. If the Cardholder is given the option of choosing a preferred language in which to conduct the Transaction, the screen display message concerning ATM Access Fees must be presented to the Cardholder in that chosen language.

If an Acquirer displays the MasterCard-approved generic ATM Access Fee signage, the Acquirer must include the amount or calculation method of the ATM Access Fee as part of the ATM Terminal screen display.

Refer to Appendix E for a model of an ATM Terminal screen display relating to ATM Access Fee application.

### **ATM Transaction Receipts**

Any Acquirer that charges an ATM Access Fee must make available to the Cardholder on the Transaction receipt the ATM Access Fee information required by this Rule, in addition to any other information the Acquirer elects to or is required to provide.

The minimum requirements for the Transaction receipt are:

1. A statement of the amount disbursed to the Cardholder;
2. A statement of the ATM Access Fee amount with language clearly indicating it is a fee imposed by the Acquirer;
3. A separate statement of the combined amount of the ATM Access Fee and the disbursed amount, with language clearly indicating that this amount will be deducted from the Cardholder's Account.

Refer to Appendix E for a model of ATM Transaction receipt text relating to ATM Access Fee application.

## Merchandise Transactions at ATM Terminals

An ATM Terminal may dispense any merchandise, service, or other thing of value within a MasterCard-approved merchandise category, other than any merchandise, service, or other thing of value which:

1. Is illegal or would tend to offend the public morality or sensibility, disparage MasterCard, or otherwise compromise the good will or name of MasterCard;
2. MasterCard has notified Acquirers must not be dispensed by an ATM Terminal; or
3. Could be used to obtain products or services at a location other than an ATM Terminal which, if dispensed at an ATM Terminal, would be prohibited pursuant to this Rule.

Promptly upon written direction from MasterCard, an Acquirer must cease dispensing at all its ATM Terminals any merchandise, service, or other thing of value which MasterCard has directed is not permitted.

## Approved Merchandise Categories

Approved merchandise categories are as follows.

Merchandise Category	Explanation
Event Tickets	Admission tickets to scheduled events that upon presentation of such tickets will admit the bearer to such scheduled events in lieu of other forms of admission tickets.
Transportation Tickets and Passes	Tickets or passes to board and ride scheduled transportation conveyances in lieu of other forms of transportation tickets.

Merchandise Category	Explanation
Telecommunications Cards and Services	Prepaid telephone cards that entitle the holder to a specified amount of prepaid time or prepaid wireless telephone time that is credited to a subscriber's prepaid telephone account.
Retail Mall Gift Certificates	Gift certificates to be sold at ATM Terminals located in retail shopping malls and redeemable for merchandise at stores located in the mall where dispensed. Customers must receive prior written approval from the Corporation for each specific mall implementation.
Charitable Donation Vouchers	Pre-valued donation vouchers that are dispensed as receipts for donations resulting from an authorized Transaction at a participating ATM. Customers must receive prior written approval from the Corporation for each specific charitable entity.

**NOTE** An addition to this Rule appears in the “Europe Region” and the “United States Region” sections at the end of this chapter.

### Screen Display Requirement for Merchandise Categories

The Acquirer must disclose to the Cardholder via the video monitor screen prior to the initiation of any Merchandise Transaction the following:

1. Full identification of the price and quantity of the Merchandise;
2. Any additional shipping or handling charges (for mailed purchases only);
3. Policy on refunds or returns; and
4. Provision for recourse concerning Cardholder complaints or questions.

### Shared Deposits—United States Region Only

**NOTE** Rules on this subject appear in the “United States Region” section at the end of this chapter.

### Variations and Additions by Region

The remainder of this chapter provides modifications to the Standards set out in this chapter. The modifications are organized by region or country and by applicable subject title.



## Asia/Pacific Region

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The following modifications to the Rules apply in the Asia/Pacific Region or in a particular Region country or countries. Refer to Appendix A for the Asia/Pacific Region geographic listing.

### Automated Fuel Dispenser Transactions

In **Malaysia**, the following Rule applies:

A Malaysia Acquirer must present MasterCard automated fuel dispenser Transactions (MCC 5542) to Malaysia Issuers within two business days of the Transaction date.

Within one business day of the presentment date of an automated fuel dispenser Transaction (MCC 5542), a Malaysia Issuer must post the Transaction to the Cardholder's account and release any hold amount exceeding the Transaction amount from the Cardholder's Account.

### ATM Access Fees

#### ATM Access Fees—Domestic Transactions

The Rule on this subject, as it applies to Domestic Transactions occurring in Australia, is replaced with the following:

Subject to complying with the ATM Access Fee notification requirements, an Acquirer in Australia may assess an ATM Access Fee on a Debit MasterCard, Maestro, or Cirrus Transaction initiated with a Card that was issued in Australia provided the Acquirer applies the ATM Access Fee in a consistent and nondiscriminatory manner.

For the purpose of this Rule, "ATM Access Fee" means a fee charged by an Acquirer in Australia in connection with a financial or non-financial transaction initiated at that Acquirer's ATM Terminal with a Card issued in Australia, which fee is added to the amount of the Transaction transmitted to the Issuer.

#### Purchase with Cash Back Transactions

In **India**, the Rule on this subject is modified as follows:

The maximum daily cash back amount per Debit MasterCard must be in accordance with applicable law including circulars published by the Reserve Bank of India.

A merchant that has received prior approval from its Acquirer may offer:

1. A purchase with cash back Transaction to a Cardholder for intracountry, Card-present, face-to-face Transactions conducted in India; and
2. A purchase with a cash back Transaction to a Cardholder with no accompanying purchase for intracountry, Card-present, face-to-face Transactions conducted in India.

## Canada Region

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The following modifications to the Rules apply in the Canada Region. Refer to Appendix A for the Canada Region geographic listing.

### MasterCard Contactless Transactions

In the Canada Region, the Rule on this subject is modified as follows.

Proof of CVM (signature or PIN) is not a valid second presentment remedy under message reason code 4837 (No Cardholder Authorization) for an intraregional MasterCard Contactless Transaction that exceeds the Contactless Transaction CVM limit amount.

An intraregional MasterCard Contactless Transaction conducted with offline PIN as the CVM at a Merchant location with a Hybrid POS Terminal that supports *PayPass* version 3.0 or later is a chip/PIN Transaction and therefore ineligible for chargeback under message reason code 4837 regardless of amount.

### Purchase with Cash Back Transactions

In the Canada Region, the Rule on this subject is modified as follows.

Effective with 17 October 2014, a Customer must technically support the purchase with cash back Transaction for Debit MasterCard and prepaid MasterCard Cards.

A Merchant may at its option support purchase with cash back Transactions as set forth in this chapter, with the following variations:

1. The Merchant may offer purchase with cash back to Debit MasterCard and prepaid MasterCard Cardholders.
2. Purchase with cash back is available only for chip/PIN Transactions.
3. The maximum cash back amount of the purchase with cash back Transaction is CAD 100. Acquirers or Merchants may establish a lower maximum cash back amount, provided that:
  - a. Any such maximum amount is applied uniformly; and
  - b. Any maximum amount is not lower than the maximum amount established for any other payment means on which purchase with cash back is offered at the Merchant location.

All other requirements set forth in Rule 8.9 of Chapter 8 apply in the Canada Region.

### Automated Fuel Dispenser Transactions

In the Canada Region, if an Issuer approves an authorization request for an automated fuel dispenser Transaction identified with MCC 5542 and CAT level 2 (an "AFD Transaction"), then, within 60 minutes of the time that the authorization request message is sent, the Acquirer must send an authorization advice message advising the Issuer of the Transaction amount.

If, after approving an authorization request for an AFD Transaction, the Issuer places a hold on Cardholder funds in excess of CAD 1, then, within 60 minutes of receiving the Acquirer's

authorization advice (0120 or 0420) message, the Issuer must release any hold amount that exceeds the Transaction amount.

## ATM Access Fees

### ATM Access Fees—Domestic Transactions

In the Canada Region, the Rule on this subject is replaced with the following:

Subject to complying with the ATM Access Fee notification requirements of the Rules, an Acquirer in the Canada Region may assess an ATM Access Fee on a Transaction initiated with a Card that was issued in the Canada Region provided the Acquirer applies the ATM Access Fee in a consistent and nondiscriminatory manner.

## Europe Region

The following modifications to the Rules apply in the Europe Region or in a particular Region country or countries. Refer to Appendix A for the Europe Region and Single European Payments Area (SEPA) geographic listing.

### No-CVM Magnetic Stripe and Contact Chip Maestro POS Transactions

In the Europe Region, magnetic stripe and Contact Chip Transactions may be completed without CVM in the acceptance environments listed in this Rule, up to the maximum Transaction amount set out below.

Acceptance Environment	Maximum Transaction Amount
Tollways (MCC 4784)	EUR 100 (or local currency equivalent)
Parking Lots and Garages (MCC 7523)	EUR 50 (or local currency equivalent)
Transit Vending Machines (MCCs 4111, 4112 and 4131)	EUR 25 (or local currency equivalent)
Vending Machines (MCC 5499) (Italy and Belgium only)	EUR 25 (or local currency equivalent)

Maestro Contactless Transactions may also be completed in these environments in accordance with the Standards applicable to Maestro Contactless Transactions.

The following Rules apply to Magnetic Stripe and Contact Chip Transactions:

1. The Merchant must obtain authorization online from the Issuer or offline from the chip. Magnetic Stripe Transactions may also be authorized according to the Merchant-approved Transaction Rules.

2. The Acquirer bears the liability for fraud on Magnetic Stripe and Contact Chip Transactions completed without CVM.
3. The Transactions must be identified with one of the above-listed MCCs.
4. Transactions at vending machines and transit vending machines must be identified as unattended Transactions.
5. A POS Terminal at which no-CVM Transactions are performed may have a PIN pad.
6. An Issuer of Chip Cards must be able to authorize no-CVM Transactions even when the chip data in the authorization message indicates "Cardholder verification was not successful."
7. In the tollways environment, the Merchant may at its option maintain a negative file in the POS Terminal, provided this is done in a PCI-compliant manner.
8. An Issuer in the Netherlands is not required to technically support no-CVM Transactions at vending machines and transit vending machines. Vending machines and transit vending machines that support no-CVM Transactions must not be deployed in the Netherlands.

## MasterCard Contactless Transactions

### Mobile MasterCard Contactless EMV Mode Transactions

In the Europe Region, if a POS Terminal is capable of processing a Contactless Chip Transaction with a PIN-based CVM, the Acquirer must ensure that each such POS Terminal supports at least one of the following Cardholder verification methods:

- Online PIN verification for any Transaction; and/or
- Offline verification of the mobile PIN by the Mobile Payment Device for Mobile MasterCard Contactless EMV Mode Transactions.

A Mobile MasterCard Contactless EMV Mode Transaction is a MasterCard Contactless EMV Mode Transaction initiated with a Mobile Payment Device that contains Mobile MasterCard Contactless EMV Mode functionality. It is strongly recommended that POS Terminals currently supporting online PIN verification also support offline verification of the mobile PIN for Mobile MasterCard Contactless EMV Mode Transactions.

A POS Terminal capable of processing MasterCard Contactless Transactions that exceed the Contactless Transaction CVM limit amount with a PIN-based CVM must also support signature as a CVM option.

## Maestro Contactless Transactions

In the Europe Region, the Rule on this subject is modified as follows.

The maximum Transaction amount for a Maestro Contactless Transaction is as follows.

Acceptance Environment	Maximum Transaction Amount
Tollways (MCC 4784)	EUR 100 (or local currency equivalent)

Acceptance Environment	Maximum Transaction Amount
Parking Lots and Garages (MCC 7523)	EUR 50 (or local currency equivalent)
Transit Vending Machines (MCCs 4111, 4112 and 4131)	EUR 25 (or local currency equivalent)
Vending Machines (MCC 5499) (Italy and Belgium only)	EUR 25 (or local currency equivalent)

In other acceptance environments, there is no maximum Transaction amount for a Maestro Contactless Transaction.

The Acquirer is liable for a fraudulent Maestro Contactless Transaction that exceeds the CVM Limit or ceiling limit and is completed without CVM.

If a Maestro Card that also bears a domestic debit brand mark is used in a Contactless Transaction and the domestic debit brand does not support contactless payment functionality, the Transaction must be identified in all Transaction messages as a Maestro Contactless Transaction and all Rules regarding such Transactions apply to the Transaction. If processed by means of the Interchange System, the Maestro Contactless Transaction is identified by the following data elements:

1. In authorization:
  - a. DE 22 (POS entry mode), subfield 1 (POS Terminal PAN Entry Mode) must contain the value of "7" to indicate PAN auto-entry via contactless M/Chip, and
  - b. DE 61 (POS Data), subfield 11 (POS Card Data Terminal Input Capability) must contain the value of "3" to indicate contactless M/Chip.
2. In clearing:
  - a. DE 22 (POS entry mode), subfield 1 (Terminal Data: Card Data Input Capability) must contain the value of "M" to indicate PAN auto-entry via contactless M/Chip, and
  - b. DE 22 (POS data), subfield 7 (Card Data: Input Mode) must contain the value of "M" to indicate PAN auto-entry via contactless M/Chip.

If the Transaction is processed via a means other than the Interchange System (including bilateral and on-us processing), the Acquirer must ensure that corresponding data elements contain values that enable Issuers to clearly identify the transaction as a Maestro Contactless Transaction.

Regardless of processing arrangement, all Customers using the Corporation's contactless payment technology must have been granted the appropriate *PayPass* licenses.

### **Maestro Contactless Transit Aggregated Transactions**

In the Europe Region, the Rule on this subject is replaced with the following.

A Maestro Contactless transit aggregated Transaction occurs when the Acquirer generates an Authorization Request/0100 message for an estimated amount in connection with the use of

one Maestro Account at one transit Merchant. Maestro Contactless transit aggregated Transactions must be processed as follows.

1. The Merchant sends an Authorization Request/0100 message with a value of 06 in DE 48, subelement 64, subfield 1 (Transit Transaction Type Indicator) for an estimated amount not to exceed the applicable Contactless transit Transaction ceiling limit amount.
2. The Issuer must approve the Transaction.
3. The Cardholder may make subsequent taps for additional rides; these taps will not be sent to the Issuer for authorization. The combined amount of the taps must be equal to or less than the Contactless transit aggregated Transaction limit amount.
4. When the limit is reached or within three calendar days, the Merchant totals the value of all taps and generates an Acquirer Reversal Advice/0420 or Acquirer Advisement/0120 message (in the Europe region only) to reverse any unused funds.

The Merchant must inform the Cardholder that the amount held from the available funds in the Account may be greater than the cost of a single fare, and the Merchant must inform the Cardholder of the amount of time that the Merchant takes to reverse all unused funds. This information may be provided on the Merchant's Website, included in call center scripts, and/or displayed within the transit Merchant's system. The Merchant must also provide specific tap information to the Cardholder upon request.

For Contactless transit aggregated Transaction identification requirements, refer to Appendix C.

## **Purchase with Cash Back Transactions**

In the Europe Region, the Rule on this subject is modified as follows.

A Merchant, in the Europe Region, at its option, may support purchase with cash back Transactions on all types of MasterCard Cards. A Merchant must offer purchase with cash back Transactions on all Europe Region-issued Debit MasterCard and Maestro Cards if the Merchant offers this transaction type on any other debit brand.

The following requirements apply to purchase with cash back Transactions on MasterCard Cards:

1. Purchase with cash back on MasterCard Cards is available only for chip/PIN and chip/signature Transactions.
2. If a Merchant provides purchase with cash back only upon presentation of particular Cards, then the Merchant must not promote the service at the POI location or prompt the Cardholder to use purchase with cash back.
3. For MasterCard Cards, the maximum cash back amount of the purchase with cash back Transaction is GBP 100 in the United Kingdom and EUR 100 or the local currency equivalent in other Europe Region countries, with the exception of Germany, where the maximum is EUR 200. An Acquirer or Merchant may establish a lower maximum cash back amount, provided that:
  - a. Any such maximum amount is applied uniformly; and

- b. Any maximum amount is not lower than the maximum amount established for any other payment means on which purchase with cash back is offered at the Merchant location.

The following requirements apply to Issuers:

1. An Issuer must technically support purchase with cash back Transactions on Maestro Cards. The Issuer must make individual authorization decisions and must not automatically decline authorization of purchase with cash back Transactions on Maestro Cards.
2. An Issuer that intends to support purchase with cash back Transactions for its MasterCard Cardholders must properly personalize the chip on its MasterCard Cards.
3. An Issuer that supports partial approval authorizations for magnetic stripe Transactions may use partial approval to authorize only the purchase amount. Partial approval must not be used to authorize only the cash back amount.

### **Automated Fuel Dispenser Transactions**

In the Europe Region, the Acquirer of a Merchant having an unattended POS Terminal at a petrol station (MCC 5542) must process POS Transactions as follows.

1. The Acquirer must submit a preauthorization message containing the maximum amount determined by the Acquirer or Merchant.
2. The Issuer's authorization response may be for the full amount of the preauthorization or for a lesser amount determined by the Issuer. The Transaction is guaranteed up to the amount authorized by the Issuer. Approval of a lesser amount is referred to as partial amount preauthorization. The Transaction is guaranteed up to the amount authorized by the Issuer.
3. The Acquirer must inform the Issuer of the final Transaction amount via an advice message, which must be sent to the Issuer within 20 minutes of the authorization response message.
4. The Issuer must send an advice acknowledgement upon receipt of the advice message. Issuers must be able to receive advice messages and return advice acknowledgements in the preauthorization environment.
5. The Issuer must post the Transaction to the Cardholder's Account on the basis of the advice message, rather than the preauthorization response.

Support for partial amount preauthorization (as defined in item 2 above) is mandatory for Issuers and Acquirers of Maestro Cards if the Customer supports partial amount preauthorization for any other debit brand. Support of partial amount preauthorization is also required for all MasterCard Account ranges if the Customer supports partial amount preauthorization for Maestro or any other debit brand.

The First Presentment/1240 message must contain the final Transaction amount in DE 4.

### **Merchant-approved Maestro POS Transactions**

In Belgium, the Rule on this subject is modified as follows.

For Domestic Transactions in Belgium, the Acquirer may resubmit the Transaction once every 24 hours for a period ending 30 calendar days after the Transaction date, if a Merchant-

approved Maestro POS Transaction is declined by the Issuer for insufficient funds, or because the Transaction exceeds withdrawal limits.

## MasterCard Manual Cash Disbursement Transactions

### Maximum Cash Disbursement Amounts

In the Europe Region, the Rule on this subject is modified as follows.

The maximum cash disbursement amounts of USD 5,000 and USD 1,000 therein stated are replaced by EUR 5,000 and EUR 1,000, respectively.

## ATM Access Fees

### ATM Access Fees—Domestic Transactions

The Rule on this subject, as it applies to Domestic Transactions occurring in the **United Kingdom**, is replaced with the following:

Subject to complying with the ATM Access Fee notification requirements, an Acquirer in the United Kingdom may assess an ATM Access Fee on a Transaction initiated with a Debit Card that was issued in the United Kingdom provided the Acquirer applies the ATM Access Fee in a consistent and nondiscriminatory manner.

An Acquirer in the United Kingdom must not assess an ATM Access Fee on non-financial (anything other than a cash withdrawal) Transactions.

## Merchandise Transactions at ATM Terminals

### Approved Merchandise Categories

In the Europe Region, the Rule on this subject is modified as follows.

Merchandise Category	Explanation
Mobile Phone Top Up	The purchase of a specified amount of prepaid wireless telephone time, to be credited to the mobile SIM card associated with the subscriber's prepaid telephone account. The Transaction is identified with MCC 4814.
Bill Payment	Payment via the ATM of utility, telephone or other bills. The Transaction may be identified with MCC 4900 or MCC 6050.



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## Latin America and the Caribbean Region

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The following modifications to the Rules apply in the Latin America and the Caribbean Region. Refer to Appendix A for the Latin America and the Caribbean Region geographic listing.

### MasterCard Contactless Transactions

In the Latin America and the Caribbean Region, the Rule on this subject, as it applies in **Brazil**, is modified as follows.

If the Cardholder selects the “debit” option when using a MasterCard Card issued in Brazil to initiate a Contactless Transaction at a Merchant located in Brazil, Single Message System processing requirements and the chargeback procedures in Chapter 4 of the *Chargeback Guide* will apply. The resulting Transaction is referred to as a Maestro Contactless Magnetic Stripe Transaction.

### Maestro Contactless Transactions

#### Maestro Contactless Transit Aggregated Transactions

In the Latin America and the Caribbean Region, the Rule on this subject is modified as follows.

In **Mexico**, when the limit is reached or within two calendar days, the Merchant totals the value of all taps and generates an Acquirer Reversal Advice/0420 message to reverse any unused funds.

Specific Maestro Contactless transit aggregated Transaction ceiling limits apply in the Bolivarian Republic of Venezuela, Colombia, and Mexico.

### ATM Access Fees

#### ATM Access Fees—Domestic Transactions

In the Latin America and the Caribbean Region, the Rule on this subject, as it applies to Domestic Transactions occurring in the countries listed below, is replaced with the following:

Subject to complying with the ATM Access Fee notification requirements, the Acquirer may assess an ATM Access Fee on a Domestic Transaction provided the Acquirer applies the ATM Access Fee in a consistent and nondiscriminatory manner.

For the purposes of this Rule, “ATM Access Fee” means a fee charged by an Acquirer in connection with any financial Transaction initiated at that Acquirer’s ATM with a Card and added to the amount of the Transaction transmitted to the Issuer.

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Argentina	Brazil
Chile	Colombia

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Ecuador	Mexico
Panama	Peru
Puerto Rico	Venezuela

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## Middle East/Africa Region

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The following variations and additions to the Rules apply in the South Asia/Middle East/Africa Region. Refer to Appendix A for the South Asia/Middle East/Africa Region geographic listings.

### Purchase with Cash Back Transactions

In **India**, the Rule on this subject is modified as follows:

The maximum daily cash back amount per Debit MasterCard Card must be in accordance with applicable law including circulars published by the Reserve Bank of India.

A Merchant that has received prior approval from its Acquirer may offer:

1. A purchase with cash back Transaction to a Cardholder for intracountry, Card-present, face-to-face Transactions conducted in India; and
2. A purchase with a cash back Transaction to a Cardholder with no accompanying purchase for intracountry, Card-present, face-to-face Transactions conducted in India.

In **South Africa**, the Rule on this subject is modified as follows:

A Merchant that has received prior approval from its Acquirer may offer a purchase with cash back Transaction with or without an accompanying purchase to any Cardholder for intracountry, Card-present, face-to-face Transactions conducted in South Africa.

PIN verification must be obtained for each purchase with cash back Transaction without an accompanying purchase.

## United States Region

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The following modifications to the Rules apply in the United States (U.S.) Region. Refer to Appendix A for the U.S. Region geographic listing.

### Chip Transactions at Hybrid POS Terminals

The Rule on this subject is modified as follows:

- “PIN-capable Hybrid POS Terminal” means a Hybrid POS Terminal capable of performing both online and offline PIN verification when a PIN-preferring Chip Card is presented, and which, if attended, also accepts signature.

- “PIN-preferring Chip Card” means a Chip Card that has been personalized so that a PIN CVM option (online PIN or offline PIN) appears in the Card’s CVM list with a higher priority than the signature option, indicating that PIN is preferred to signature at any POS Terminal that supports the same PIN CVM option.

### **Purchase with Cash Back Transactions**

In the U.S. Region, the Rule on this subject is modified as follows.

1. A Merchant may charge a fee on the cash back portion of a Transaction. The fee charged by the Merchant must be:
  - a. The same or less than the fee charged for a cash back transaction for all other payment networks.
  - b. Disclosed to the Cardholder before completion of the Transaction.
  - c. Detailed in DE 28 (Amount, Transaction Fee) of the Authorization Request/0100 message or Financial Transaction Request/0200.
  - d. Detailed in DE 54 (Amounts, Additional) of the First Presentment/1240 message.
  - e. Included in the total Transaction amount transmitted in DE 4 (Amount, Transaction) of authorization and clearing messages.
2. A purchase with cash back Transaction must not be conducted as a PIN-less Single Message Transaction.

### **Automated Fuel Dispenser Transactions**

In the U.S. Region, if an Issuer approves an authorization request for an automated fuel dispenser Transaction identified with MCC 5542 and CAT level 2 (an “AFD Transaction”), then within 60 minutes of the time that the authorization request message is sent, the Acquirer must send an authorization advice message advising the Issuer of the Transaction amount.

If after approving an authorization request for an AFD Transaction, the Issuer places a hold on Cardholder funds in excess of USD 1, then within 60 minutes of receiving the Acquirer’s authorization advice (0120 or 0420) message, the Issuer must release any hold amount that exceeds the Transaction amount specified.

### **PIN-based Debit Transactions**

In the U.S. Region, a Customer may choose to acquire Transactions effected with Debit MasterCard Cards where PIN is used as the Cardholder verification method (CVM).

### **PIN-less Single Message Transactions**

In the U.S. Region, a PIN-less Single Message Transaction is a Transaction where the Cardholder is not required to be verified by PIN or other CVM if all of the following conditions exist:

- The Card is issued in the U.S. Region; and
- The Card has an IIN/BIN that begins with a four; and
- The Transaction is initiated by means of a POS Terminal located in the U.S. Region; and

- The Transaction amount is equal to or less than USD 50; and
- The Corporation assigned indicator in DE 48, subelement 81 in Financial Request/0200 message is present, indicating that the Transaction qualifies as PIN-less Single Message; and
- The Transaction is a contact magnetic stripe or contactless magnetic stripe Transaction; and
- The Transaction type cannot be performed at an unattended POS Terminal.

A Customer must process contact magnetic stripe and contactless magnetic stripe Maestro POS Transactions as PIN-less Single Message Transactions, as provided below:

1. No CVM is required.
2. An Acquirer must be able to route a PIN-less Single Message Transaction to the Issuer for approval.
3. An Acquirer must only route a PIN-less Single Message Transaction when the final purchase Transaction amount is certain at the time of authorization. Therefore, the Acquirer must evaluate each specific MCC for PIN-less Single Message Transactions.
4. An Issuer must authorize the PIN-less Single Message Transaction when the data in the authorization message includes the MasterCard-assigned PIN-less indicator in DE 48, at a substantially equivalent rate compared to other similar programs. An Issuer may not charge back a PIN-less Single Message Transaction for reason of fraud.

## **MasterCard Manual Cash Disbursement Transactions**

### **Non-discrimination Regarding Cash Disbursement Services**

In the U.S. Region, the Rule on this subject is modified as follows:

Subject to compliance with the Standards, each Customer within the United States Region must provide cash disbursement services to all Cardholders at all of the Customer's offices where teller services are provided.

## **ATM Access Fees**

### **ATM Access Fees—Domestic Transactions**

In the U.S. Region, the Rule on this subject is replaced with the following:

In all states and territories of the United States and in the District of Columbia, upon complying with the ATM Access Fee notification requirements of the Rules, an Acquirer may assess an ATM Access Fee on a Domestic Transaction.

## **Merchandise Transactions at ATM Terminals**

### **Approved Merchandise Categories**

In the U.S. Region, the Rule on this subject is modified to add postage stamps issued by the U.S. Postal Service as an approved merchandise category.

## Shared Deposits

In the U.S. Region, an Acquirer may choose to participate in the Shared Deposit service; provided, if the Acquirer deploys ATM Terminals that participate in any other shared deposit service, those ATM Terminals must participate in the Shared Deposit service.

An Acquirer may make only its ATM Terminals available for participation in the Shared Deposit service. An Acquirer that, as an Issuer, elects to take part in the Shared Deposit service must designate its BINs/IINs and ATM Terminals that participate in any other shared deposit service for participation in the Shared Deposit service.

### Non-discrimination Regarding Shared Deposits

An Acquirer may impose a dollar limit on Shared Deposits accepted at an ATM Terminal provided that the limit imposed on Cardholders is the same or more favorable than the limits imposed on cardholders of other networks. This Rule does not limit the application of other non-discrimination provisions contained in the Standards.

### Terminal Signs and Notices

An Acquirer must display a notice regarding funds availability in accordance with section 229.18(c) of Regulation CC, 12 C.F.R. § 229.18(c) on each ATM Terminal that participates in the Shared Deposit service.

### Maximum Shared Deposit Amount

The maximum Shared Deposit Transaction amount must be limited to USD 99,999.99.

### ATM Terminal Clearing

An Acquirer that accepts Shared Deposits must clear its ATM Terminals at least once each business day.

### Deposit Verification

An Acquirer must process its Shared Deposits as follows.

1. The Acquirer must complete an examination of each Shared Deposit no later than one business day after the date of the Transaction;
2. Such examination must be conducted under dual control standards either by two employees of the Acquirer or by one or more employees of the Acquirer with a surveillance camera monitoring the examination;
3. The examination must consist of the following:
  1. The deposit must be verified to ensure that the dollar amount of the deposit keyed by the Cardholder at the ATM Terminal matches the deposit contents; the deposit envelope is not empty; and the deposit envelope does not contain only non-negotiable items;
  2. The Acquirer must identify any irregularities that would make an item in the deposit envelope non-negotiable, such as:
    - The deposited currency is counterfeit;

- The deposited currency, check or money order is in a denomination other than U.S. Region currency;
  - The item is drawn on or payable by an institution located outside the U.S. Region;
  - The item has a passbook attached;
  - The item is a photocopy;
  - The item is a certificate of deposit or banker's acceptance;
  - The item is a non-negotiable writing;
  - The item is a returned or cancelled check or draft;
  - A date is not present on the item;
  - The item is postdated;
  - The item is dated more than six months prior to the date of the deposit;
  - The payee field has not been completed;
  - Either the written or numeric amount does not appear on the item;
  - The written amount does not match the numeric amount on the item;
  - The amount on the item appears altered;
  - The item includes restrictive wording;
  - The item is missing an endorsement;
  - The item, which requires a signature, is unsigned
4. The Acquirer must submit an adjustment within one business day of the deposit verification date if a discrepancy exists between the deposit amount and the amount keyed into the ATM Terminal.

### **Deposit Processing**

By the end of the business day following the day on which a ATM Terminal was cleared pursuant to "ATM Terminal Clearing" above, the Acquirer must forward for collection all Shared Deposits cleared from that Terminal in the same manner it would forward its own Cardholders' deposits except as permitted under sections 4.3.5 and 5.3.5 of the *Chargeback Guide*.

### **Shared Deposits in Excess of USD 10,000**

If an Acquirer receives a Shared Deposit or series of related Shared Deposits made to a single Account on one business day containing currency in excess of USD 10,000, the Acquirer must notify the Issuer of this fact by telephone, facsimile, or any other means permitted by the Corporation within two business days of the date of deposit. The Acquirer must record the occurrence as well as the act of reporting the occurrence and must include the name of the Issuer's employee that received notification.

The notification must include the following:

1. Cardholder number;
2. Amount of currency;
3. Amount of currency in bills of denomination of USD 10,000 or higher;
4. ATM Terminal location;
5. Date and time of deposit.

If the Acquirer fails to provide notification of such a cash deposits and the Issuer is assessed penalties or fines as a result of the Acquirer's failure, the Acquirer must indemnify the Issuer for such penalties and fines.

### **Notice of Return**

If an item sent by an Acquirer to the payor bank of the item for presentment is returned to the Acquirer for any reason or the Acquirer receives notice of nonpayment of the item for any reason from the payor bank, the Acquirer must notify the Issuer of the receipt of such return or notice, and must initiate return of the returned item to the Issuer no later than one business day following the receipt of the returned item or the notice of nonpayment, whichever is received first. Such notice to the Issuer must include the reason for nonpayment as set forth on the returned item or notice of nonpayment received.

### **Liability for Shared Deposits**

The maximum damages that an Acquirer may face for its failure to comply with these Shared Deposit Rules is the amount of loss incurred by the Issuer with respect to a particular Shared Deposit, not to exceed the amount of the Shared Deposit. In addition, an Acquirer will not be liable to an Issuer for any amount of the Shared Deposit that the Issuer could have recovered from the Cardholder. An Issuer must claim that:

1. Its Cardholder would not accept the adjustment of an improper Shared Deposit;
2. It could not debit the Cardholder when the Issuer received notice of the improper deposit; and
3. It could have debited the Cardholder if the Acquirer had complied with these Shared Deposit Rules.

In all events, the Issuer must first attempt to collect from its Cardholder.

## Chapter 5 Card-Not-Present Transactions

*The following Standards apply with regard to Transactions that occur in a Card-not-present environment, including electronic commerce (e-commerce), mail order/telephone order (MO/TO), and recurring payment Transactions. Where applicable, variations or additions by region and/or country are provided at the end of this chapter in the section titled, "Variations and Additions by Region."*

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## Electronic Commerce Transactions

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An electronic commerce (“e-commerce”) Transaction must be authorized by the Issuer, in accordance with the authorization requirements described in Chapter 2. An e-commerce Transaction must not be effected using contactless payment functionality or as a purchase with cash back Transaction.

**NOTE Additions to this Rule appear in the “Europe Region” and “South Asia” sections at the end of this chapter.**

### E-commerce Transactions—Acquirer and Merchant Requirements

Each Acquirer and Merchant conducting any e-commerce Transactions must comply with the following requirements:

1. The Merchant must display the appropriate Acceptance Marks on its website where payment methods are listed, in accordance with the Standards set forth in Chapters 4 and 5 of the *MasterCard Rules*.
2. The Merchant must provide a mailing address and a contact telephone number or email address for customer queries. This information may be displayed on any page within the Merchant’s website, but must be readily accessible to a Cardholder, and remain displayed for at least 90 calendar days after the last day on which a Transaction was performed.
3. The Merchant must clearly display price information, including currency, and the details of the timing of billing and fulfillment of Transactions, and provide a function for Cardholders to confirm a purchase before the completion of the sale.
4. For each Merchant supporting MasterCard *SecureCode*, the Acquirer must provide the Merchant with a Merchant ID, and ensure that the Merchant correctly populates all UCAF fields with required data elements. Refer to the *MasterCard SecureCode—Acquirer Implementation Guide* for more information.
5. The Transaction amount used in the authorization message must match the value of the products and services in an individual shipment, including any additional charges for posting and packing, etc.
6. If the purchase will be delivered in multiple shipments, the Merchant must notify the Cardholder and ensure that the combined amount of all shipments does not exceed the total purchase amount agreed with the Cardholder. The Merchant must obtain the Cardholder’s agreement to any increase in the purchase amount as a result of multiple or partial deliveries. Each shipment, and any increase to the original agreed purchase amount, must be processed by the Merchant as a separate authorized Transaction.
7. If the products or services purchased are not available at time of the Transaction, the Merchant must inform the Cardholder and obtain the Cardholder’s agreement to a delayed delivery (specifying the anticipated delivery date) before proceeding with the Transaction.
8. The Merchant must advise the Cardholder if the products or services ordered will not be delivered within the time frame originally disclosed to and agreed with the Cardholder.

The Cardholder must be notified of the new anticipated delivery timeframe and given an opportunity to cancel the Transaction.

9. The information provided on any email acknowledgement of the Cardholder's order must comply with the Transaction receipt requirements described in Chapter 3.

In addition, with respect to **Maestro e-commerce Transactions**:

1. The Acquirer and Merchant must be capable of accepting PANs between 13 and 19 digits in length and sending the full unaltered PAN and the expiration date (in MMY format) to the Interchange System. Transactions must not be declined by the Merchant or Acquirer as a result of edits or validations performed on the BIN/IIN or expiration date;
2. The Merchant must support MasterCard *SecureCode*;
3. The Acquirer and Merchant must support the passing of authentication data in the Universal Cardholder Authentication Field (UCAF);
4. The Acquirer must support the 3D Secure Merchant Plug-in, and be capable of handling Transactions within a 3D Secure environment;
5. The Merchant must provide a set of "help" functions to help Cardholders that have not yet been enabled by their Issuers for transacting via the Internet; and
6. On an ongoing basis, the Acquirer must educate its Merchants to ensure that each Merchant has an understanding of the special risks and responsibilities associated with accepting Transactions in an e-commerce environment.

**NOTE Additions and/or variations to this Rule appear in the "Latin America and the Caribbean Region" and "United States Region" sections at the end of this chapter.**

## E-commerce Transactions—Issuer Requirements

An Issuer must approve or decline each e-commerce Transaction authorization request. Call referrals are not permitted.

An Issuer that uses MasterCard *SecureCode* to verify its Cardholders must provide and keep updated information for display on the website [mastercard.com/securecode](http://mastercard.com/securecode). Refer to the *MasterCard SecureCode—Issuer Implementation Guide* for further information. MasterCard *SecureCode* liability shifts applicable to e-commerce Transactions conducted with a **MasterCard Card** are described in section 3.4 of the *Chargeback Guide*.

The following applies with respect to a **Maestro Card Program**:

1. The Issuer is encouraged but not required to permit a Maestro Cardholder to engage in e-commerce Transactions. An Issuer that permits its Maestro Cardholders to perform e-commerce Transactions must be capable of recognizing and processing these Transactions when presented by an Acquirer.
2. The Issuer should provide a registration and set-up process for Cardholders wishing to engage in e-commerce Transactions.
3. The Issuer must provide a Cardholder wishing to engage in e-commerce Transactions with a PAN of between 13 and 19 digits in length and an expiration date in MMY format. The PAN must start with a Maestro BIN/IIN, which may be a BIN that is currently used by the Issuer. The Issuer may optionally use a PAN that is different from the PAN displayed on the

Card (a “pseudo PAN”). If a pseudo PAN is used, it must be static and have an expiration date that does not exceed five years from the PAN issuance date.

4. The Issuer must implement security techniques between the Cardholder interface device and the Issuer server to guard against unauthorized Transactions.
5. The Issuer is responsible for deciding which CVMs are acceptable for the completion of e-commerce Transactions, and may choose to request that a Cardholder use a chip/hardware authentication device.
6. An Issuer should educate Cardholders of the risks of releasing Card details and PINs into open networks and entering PINs into public terminals without using the approved methods.
7. An Issuer may directly implement MasterCard *SecureCode* and register its Cardholders and each Cardholder’s authentication information, or delegate a specific implementation and registration function to a designated Service Provider, in accordance with the set-up requirements provided to the Corporation by the Issuer. The Issuer must ensure that Cardholders are properly identified if issuing certificates.
8. The Issuer must perform an appropriate risk assessment on any Transaction for which the UCAF field (data element 48, subelement 43) contains a Corporation-assigned static AAV.
9. The Issuer is responsible for fraud in connection with any e-commerce Transaction that the Issuer has approved, unless it can be proved that the Merchant and/or Acquirer participated in the fraud or the Merchant Website does not support the passing of UCAF data. However, the Issuer will have a chargeback right for fraudulent Transactions containing the Corporation-assigned static AAV in the UCAF field.

**NOTE Additions to this Rule appear in the “Europe Region” and “Latin America and the Caribbean Region” sections at the end of this chapter.**

## **Use of Static AAV for Card-not-present Transactions**

**NOTE A Rule on this subject appears in the “Europe Region” section at the end of this chapter.**

## **Mail Order and Telephone Order (MO/TO) Transactions**

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The following requirements apply to mail order and telephone (“phone”) order (MO/TO) Transactions effected with a MasterCard Account, and where supported, a Maestro Account, including phone order Transactions conducted with Integrated Voice Response (IVR) technology. MO/TO Transactions are supported for Maestro in some of the Europe Region countries and India only.

1. MO/TO Transactions must not be effected using contactless payment functionality or as purchase with cash back Transactions. Manual key entry of the PAN is the normal method of performing a MO/TO Transaction. Online authorization is required.
2. The Issuer must approve or decline each authorization request. A call referral is an invalid response to a MO/TO Transaction authorization request and must be treated by the Acquirer and the Merchant as a decline.

3. There is no Cardholder verification procedure for MO/TO Transactions; however, an Acquirer and Merchant may choose to support MasterCard *SecureCode* for MasterCard phone order Transactions conducted with Integrated Voice Response (IVR) technology.
4. The Merchant must not request an authorization, in a single message environment, or submit a Transaction to the Acquirer for presentment, in a dual message environment, until the products and services are available for delivery.

**NOTE Additions to this Rule appear in the “Europe Region” section and, pertaining to India, in the “Asia/Pacific” sections at the end of this chapter.**

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## Recurring Payment Transactions

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A recurring payment Transaction is a Transaction made pursuant to an agreement between a Cardholder and a Merchant whereby the Cardholder authorizes the Merchant to bill the Cardholder's MasterCard Account or (where supported) Maestro Account on a periodic basis, such as monthly, quarterly, annually, or as needed without a specified end date. Each payment may be for a variable or a fixed amount. Recurring payments differ from installment payments in that when a purchase is paid in installments, the number of payments is limited.

By way of example and not limitation, the following are Merchant categories that frequently process recurring payment Transactions:

- MCC 4814 (Telecommunication Services including but not limited to prepaid phone services and recurring phone services)
- MCC 4816 (Computer Network/Information Services)
- MCC 4899 (Cable, Satellite, and Other Pay Television and Radio Services)
- MCC 4900 (Utilities—Electric, Gas, Heating Oil, Sanitary, Water)
- MCC 5192 (Books, Periodicals, and Newspapers)
- MCC 6300 (Insurance Sales, Underwriting, and Premiums)

Each recurring payment Transaction must contain a value of 4 (Standing order/recurring transactions) in DE 61 (Point-of-Service [POS] Data), subfield 4 (POS Cardholder Presence) in the Authorization Request/0100 or Financial Transaction Request/0200 message.

An Issuer should provide a Merchant advice code in DE 48, subelement 84 of the authorization response message when declining a recurring payment Transaction authorization request. The Acquirer and the Merchant should be able to receive and act on the Merchant advice code when present.

The Acquirer should ensure that the Merchant retains the Cardholder's written agreement to the terms of a recurring payment Transaction arrangement. The Merchant must not deliver products or perform services pursuant to a recurring payment Transaction arrangement after receiving notification of its cancellation by the Cardholder or Issuer or that the Account on file is not to be honored.

**NOTE** An addition to this Rule appears in the “Europe Region” section at the end of this chapter.

## Transit Transactions Performed for Debt Recovery

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An Issuer of Maestro Cards that allows its Cardholders to perform Maestro Contactless transit aggregated Transactions must be able to accept and must make an individual authorization decision for each transit debt recovery Transaction identified as a Card-not-present Transaction (for example, as a PAN key-entered, e-commerce, or mail order or telephone order (MO/TO) Transaction) when the Authorization Request/0100 or Financial Transaction Request/0200 message is properly identified with:

- A value of 07 (Debt Recovery) in DE 48 (Additional Data), subelement 64 (Transit Program), subfield 1 (Transit Transaction Type Indicator); and
- An amount in DE 4 (Amount, Transaction) that is less than or equal to the applicable Maestro Contactless transit aggregated Transaction ceiling limit.

## Use of Automatic Billing Updater

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The Automatic Billing Updater (ABU) is used by a Customer to communicate changes to Account information to Merchants that participate in recurring payment Transactions. For information about ABU, refer to the *MasterCard Automatic Billing Updater Reference Guide*, available on Publications through MasterCard Connect.

**NOTE** Additions to this Rule appear in the “Canada Region” and “Europe Region” sections at the end of this chapter.

## Variations and Additions by Region

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The remainder of this chapter provides modifications to the Standards set out in this chapter. The modifications are organized by region or country and by applicable subject title.

### Asia/Pacific Region

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The following modifications to the Rules apply in the Asia/Pacific Region or in a particular Region country or countries. Refer to Appendix A for the Asia/Pacific Region geographic listing.

#### E-commerce Transactions

In **India**, the Rule on this subject, as it applies to MasterCard Intracountry e-commerce Transactions, is modified as follows:

1. Electronic commerce Transactions occurring at a Merchant located in India with a MasterCard Card issued in India must be authenticated. An authenticated Transaction occurs when:
  - a. The Merchant is Universal Cardholder Authentication Field (UCAF)-enabled;
  - b. The Issuer provided the UCAF data for that Transaction;
  - c. All other authorization and clearing requirements applicable to the Transaction were satisfied; and
  - d. The Authorization Request Response/0110 message reflected the Issuer's approval of the Transaction.
2. Each Issuer and e-commerce Transaction Acquirer must participate in the Activation During Shopping (ADS) method of Cardholder enrollment in MasterCard *SecureCode*. Cardholders must complete enrollment on the first attempt, and the Issuer must not permit a Cardholder to opt-out of the *SecureCode* enrollment process.
3. Each Issuer and e-commerce Transaction Acquirer participating in the MasterCard Assurance Service must register with the Corporation. Each e-commerce Transaction enabled using the MasterCard Assurance Service must contain a value of 6 (UCAF Control Byte) in DE 48, subelement 43, position 1, and a value of MAS in DE 124 of the Authorization Request/0100 message. For additional information, please contact [ravi\\_a@mastercard.com](mailto:ravi_a@mastercard.com).

A refund for a Maestro Intracountry e-commerce Transaction must be processed as a Payment Transaction.

### **Mail Order and Telephone Order (MO/TO) Transactions**

In **India**, the Rule on this subject, as it pertains to Intracountry mail order and phone order (including Integrated Voice Response or IVR) Transactions ("MO/TO" Transactions), is modified as follows.

1. Mail order and phone order Transactions effected at a Merchant located in India with a MasterCard Card issued in India must be authenticated. An authenticated Transaction occurs when:
  - a. The Merchant is Universal Cardholder Authentication Field (UCAF)-enabled;
  - b. The Issuer provided the UCAF data for that Transaction;
  - c. All other authorization and clearing requirements applicable to the Transaction were satisfied; and
  - d. The Authorization Request Response/0110 message reflected the Issuer's approval of the Transaction.
2. Each IVR Transaction enabled using MasterCard *SecureCode* must contain a value of 2 (*SecureCode* phone order) in DE 61 (point-of-service [POS] Data), subfield 7 (POS Transaction Status) of the Authorization Request/0100 message.
3. Each Issuer and MO/TO Transaction Acquirer participating in the MasterCard Assurance Service must register with the Corporation. Each mail order and phone order (including IVR) Transaction enabled using the MasterCard Assurance Service must contain a value of 6 (UCAF Control Byte) in DE 48, subelement 43, position 1, and a value of MAS in DE 124

of the Authorization Request/0100 message. For additional information, please contact [ravi\\_a@mastercard.com](mailto:ravi_a@mastercard.com).

4. An Issuer may not use message reason codes 4837, 4849 or 4863 to charge back a mail order or phone order (including IVR) Transaction that occurs at a Merchant located in India, if:
  - a. The Merchant is UCAF-enabled;
  - b. The Issuer provided the UCAF for that Transaction;
  - c. All other phone order authorization and clearing requirements were satisfied, including the presence of:
    - a. A value of 2 (*SecureCode* phone order) in DE 61 (Point-of-Service [POS] Data), subfield 7 (POS Transaction Status) of the Authorization Request/0100 message for IVR Transactions enabled with MasterCard *SecureCode*; or
    - b. A value of 6 (UCAF Control Byte) in DE 48, subelement 43, position 1, and a value of MAS in DE 124 of the Authorization Request/0100 message for mail order, phone order, or IVR Transactions enabled with the MasterCard Assurance Service.
  - d. The Authorization Request Response/0110 message reflected the Issuer's approval of the Transaction.
5. Each Issuer and IVR Transaction Acquirer must participate in the Activation During Shopping (ADS) method of cardholder enrollment in MasterCard *SecureCode*. Cardholders must complete enrollment on the first attempt, and the Issuer must not permit a Cardholder to opt-out of the *SecureCode* enrollment process.
6. Each Issuer and mail order and phone order (including IVR) Transaction Acquirer that wishes to participate in the MasterCard Assurance Service must register with the Corporation.

## Canada Region

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The following modifications to the Rules apply in the Canada Region. Refer to Appendix A for the Canada Region geographic listing.

### Use of Automatic Billing Updater

Each Customer in the Canada Region must use the Automatic Billing Updater for all MasterCard Cards issued in the Region, excluding non-reloadable prepaid MasterCard Cards, as follows.

An Acquirer of MasterCard POS Transactions must:

1. Be capable of sending, receiving and processing ABU data, and must ensure that the Acquirer host processing system incorporates ABU functionality.
2. Register each Merchant located in the Canada Region that conducts recurring payment Transactions in the ABU program.



3. Submit Account number queries to ABU on behalf of each registered Merchant before submitting an authorization request message. The Acquirer must then take appropriate action based on any response codes received from ABU.
4. Submit Account inquiry updates on behalf of each enrolled Merchant no less than once every 180 days.

An Issuer of MasterCard Cards must be able to send, receive, and process ABU data. All of the types of Account changes defined in the *MasterCard Automatic Billing Updater Reference Guide*, excluding any such Account changes to non-reloadable prepaid Cards, must be submitted to ABU.

## Europe Region

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The following modifications to the Rules apply in the Europe Region or in a particular Region country or countries. Refer to Appendix A for the Europe Region and Single European Payments Area (SEPA) geographic listing.

### E-commerce Transactions

#### E-commerce Transactions—Issuer Requirements

In the Europe Region, the Rule on this subject is modified as follows.

1. An Issuer must allow its Cardholders to engage in Maestro e-commerce Transactions on any Maestro Card except a prepaid Card.
2. An Issuer in **Italy or San Marino** must allow its Cardholders to engage in e-commerce Transactions using a Debit Card bearing the Debit MasterCard brand or the Maestro brand.

#### Use of Static AAV for Card-not-present Transactions

In the Europe Region, an Issuer must technically support Card-not-present Transactions that contain a value of 3, 4, or 5 in DE 48 (Additional Data—Private Use), subelement 43 (Static AAV), position 1 of Authorization Request/0100 messages. The Issuer must make individual authorization decisions and must not automatically decline authorization of Card-not-present Transactions containing these values.

### Mail Order and Telephone Order (MO/TO) Maestro Transactions

In the Europe Region, the Rule on this subject is modified as follows.

#### Address Verification Service (AVS)

A process whereby the Issuer checks the address given for a Card-not-present Transaction. For more information on AVS participation and message requirements, refer to Chapter 5 of the *Customer Interface Specification* manual and Chapter 9 of the *Authorization Manual*.

#### Cardholder Authority

A Cardholder's instructions requesting a Merchant to perform a CNP Transaction.

### **CVC 2/AVS Check**

Automated verification by the Issuer of the Card Validation Code (CVC) 2 and address details provided for a CNP Transaction.

### **Mail Order Transaction**

A CNP Transaction for which the Cardholder provides a written Cardholder Authority.

### **Phone Order Transaction, Telephone Order Transaction**

A CNP Transaction for which the Cardholder provides a Cardholder Authority through the telephone system.

An Acquirer in the **United Kingdom, Ireland, or France** that acquires intracountry MO/TO transactions under other debit brands must also acquire MO/TO Transactions under the Maestro brand. For the rules applicable to Intracountry Maestro POS Transactions in the United Kingdom, refer to the *UK Domestic Rules*.

Merchants located in Europe Region countries designated by the Corporation may at their option offer MO/TO Transactions on Maestro Cards issued in the same country. Merchants in the United Kingdom, Ireland, Turkey, and France may offer this option.

The Rules for Maestro MO/TO Transactions are the same as those for Maestro face-to-face POS Transactions except that:

1. A MO/TO Transaction must have its own unique Cardholder Authority.
2. Merchants must collect and transmit CVC 2 for all MO/TO Transactions. AVS checking is optional.
3. Merchants must not present the Transaction until the products or services are ready to be dispatched.
4. If the Merchant does not give the Cardholder the Transaction receipt or the products and/or services upon completion of the Transaction, then they must be either delivered to the Cardholder by a method chosen at the Merchant's discretion or collected by the Cardholder.

### **Intracountry Maestro MO/TO Transactions—Cardholder Authority**

For a Maestro Mail Order Transaction, a document signed by the Cardholder or a document which the Acquirer considers to be acceptable in lieu of a signed document (for example, an authority sent by facsimile transmission).

For a Maestro Telephone Order Transaction:

1. Either instructions given over the telephone by the Cardholder to the Merchant, either to the Merchant's staff or to equipment operated by the Merchant (for example, an interactive voice system), or instructions given over the telephone by means of a text message from the Cardholder to the Merchant, via equipment operated by the Merchant; and
2. The date on which the Cardholder gave her/his authority.

### **Intracountry Maestro MO/TO Transactions—Transactions Per Cardholder Authority**

A Cardholder Authority must contain:

1. The Card's PAN, expiry date, and CVC 2;
2. The Cardholder's name and home address (including postcode);
3. The Transaction amount (including postage and packaging);
4. If products or services are to be delivered, the delivery address, and if the goods/services are to be delivered to or collected by a third party, the third party's name.

### **Intracountry Maestro MO/TO Transactions—CVC 2/AVS Checks**

The following applies where the Merchant carries out AVS checking and for CVC 2 checks:

1. The Cardholder authority must include the CVC 2 shown on the Cardholder's Card.
2. When entering the Transaction, the Merchant must key in the CVC 2 and numeric data in the Cardholder's address and postcode.
3. Online authorization must be sought for the Transaction.
4. The Acquirer must attempt to send the authorization request to the Issuer accompanied by the data referred to in paragraph 2 above.

When the Issuer's authorization response is an approval, the Issuer must accompany its response with an indication as to whether:

- The address, postcode, and CVC 2 data provided matches information held in its own records;
- The address, postcode, and CVC 2 data does not match information held in its own records;
- The address and postcode data provided have not been checked; or
- The address, postcode, and CVC 2 data has not been supplied.

When the Acquirer sends a response to the authorization request to the Merchant's POS Terminal, the message must include the Issuer's CVC 2 and AVS responses.

The Merchant must not re-use the CVC 2 or retain the CVC 2 in any manner for any purpose. The CVC 2 on a Cardholder authority for a Mail Order Transaction must be rendered unreadable prior to storage.

### **Recurring Payment Transactions**

In the Europe Region, the Rule on this subject is modified as follows.

An Acquirer must:

1. Ensure that a Merchant submits Maestro recurring payment Transactions only after the Merchant is registered and has received a Corporation-assigned Merchant ID and static AAV; and
2. Provide Maestro Cardholders with the option to register for recurring payment Transactions when such Transactions are offered by the Merchant.

An Issuer must:

1. Permit its Cardholders to perform recurring payment Transactions on all Maestro Cards except prepaid Maestro Cards. For prepaid Maestro Cards, it is strongly recommended that an Issuer allow its Cardholders to perform recurring payment Transactions; and
2. Recognize all properly identified recurring payment Transactions, including the identification of the first payment as either a face-to-face recurring payment Transaction or as an e-commerce recurring payment Transaction, depending on the environment in which the recurring payment arrangement is initiated.

The Rule on this subject, as it applies to Intracountry recurring payment Transactions occurring within **France, Germany, Hungary, Ireland, Poland, Romania, Ukraine, and the United Kingdom**, is modified as follows:

1. It is recommended that an Acquirer ensure that a Merchant only includes the Card expiration date in the first Transaction of a recurring payment arrangement involving a particular MasterCard or Maestro Account number. MasterCard further recommends that the Card's expiration date not be included in any subsequent recurring payment Transaction authorization requests involving the same PAN. An Issuer must not decline a non-face-to-face recurring payment Transaction from a Merchant solely on the basis of missing Card expiration date information.
2. If a recurring payment Transaction authorization request is declined by the Issuer, the Acquirer must ensure that the Merchant resubmits the Transaction no more than once per day for a maximum of 31 consecutive days until the Transaction is approved by the Issuer.

For recurring payment Transactions relating to a bill invoiced to the Cardholder, it is recommended that in the First Presentment/1240 message, the Merchant name in DE 43 subfield 1 be followed by a space, the word "BILL" or the local language equivalent, a space, and the bill reference number.

## Use of Automatic Billing Updater

Each Customer in **Ireland** must use the Automatic Billing Updater (ABU) for all MasterCard Cards issued in Ireland, excluding non-reloadable prepaid MasterCard Cards in the BIN range of 539366 to 539585 as follows.

The Acquirer must:

1. Be capable of sending, receiving and processing ABU data, and must ensure that the acquiring host processing system used by the Acquirer incorporates ABU functionality.
2. Register each Merchant that conducts recurring payment Transactions in the ABU program.
3. Submit Account number queries to ABU on behalf of each registered Merchant before submitting an authorization request message. The Acquirer must then take appropriate action based on any response codes received from ABU.
4. Submit account inquiry updates on behalf of each enrolled Merchant no less than once every 180 days.

An Issuer of MasterCard Cards must be able to send, receive and process ABU data. All of the types of Account changes defined in the *MasterCard Automatic Billing Updater Reference*

*Guide*, excluding any such account changes to non-reloadable prepaid Cards, must be submitted to ABU.

## Latin America and the Caribbean Region

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The following modifications to the Rules apply in the Latin America and the Caribbean Region. Refer to Appendix A for the Latin America and the Caribbean Region geographic listing.

### E-commerce Transactions

#### E-commerce Transactions—Acquirer and Merchant Requirements

In **Brazil**, the Rule on this subject is modified as follows:

Merchant websites must not display the MasterCard Acceptance Mark accompanied by the “débito” identifier.

#### E-commerce Transactions—Issuer Requirements

In **Brazil**, the Rule on this subject is modified as follows:

An Issuer in Brazil must enable all Maestro Account ranges (including prepaid Accounts) to perform e-commerce Transactions. The use of MasterCard® *SecureCode*™ authentication is highly recommended.

## United States Region

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The following modifications to the Rules apply in the United States (U.S.) Region. Refer to Appendix A for the U.S. Region geographic listing.

### E-commerce Transactions

#### E-commerce Transactions—Acquirer and Merchant Requirements

In the U.S. Region, the Rule on this subject is modified as follows.

A Merchant that accepts Maestro Cards for e-commerce Transaction processing must support MasterCard *SecureCode* or any alternative CVM approved by MasterCard that is supported on the MasterCard Network.

## Chapter 6 Payment Transactions and MoneySend Payment Transactions

*The following Standards apply with regard to Payment Transactions, including MoneySend Payment Transactions and Gaming Payment Transactions. Where applicable, variations or additions by region and/or country are provided at the end of this chapter in the section titled, "Variations and Additions by Region."*

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## Payment Transactions

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A Payment Transaction is a transfer of funds to an Account via the Interchange System. A Payment Transaction is not a credit that reverses a previous purchase Transaction.

If a Payment Transaction is conducted pursuant to a Customer-to-Customer, intracountry, or intercountry business service arrangement, the business service arrangement must be approved by the Corporation in writing, in advance of the effecting of a Payment Transaction. The Corporation reserves the right to audit or to monitor any Payment Transaction Program at any time.

Each Payment Transaction must comply with all requirements set forth herein and in Appendix C. Payment Transactions are identified with a Transaction type value of 28 and the following MCCs:

- Payment Transaction—Customer Financial Institution (MCC 6532)
- Payment Transaction—Merchant (MCC 6533)

### Payment Transactions—Acquirer and Merchant Requirements

The following requirements apply to an Acquirer and any Merchant that conducts Payment Transactions:

1. An Acquirer must always submit a postable authorization request to the receiving Issuer for all Payment Transactions.
2. Each Payment Transaction must be authorized, cleared and settled separately and distinctly. Two or more funds transfers or payments must not be aggregated into a single Payment Transaction, nor may one Payment Transaction be separated into two or more Payment Transactions.
3. A Payment Transaction must be effected on the date agreed to with the Cardholder whose Account is to be funded.
4. A Payment Transaction **must not** be effected:
  - a. To “authenticate” an Account or a Cardholder; for example, by effecting or attempting to effect a Payment Transaction for a nominal amount.
  - b. For any illegal purpose or any other purpose deemed by the Corporation to be impermissible.
  - c. To transfer the proceeds from a Transaction to a Merchant.
5. Funds for the Payment Transaction must be deemed collected and in the control of the Acquirer before the Payment Transaction is submitted to the Interchange System.
6. In a dual message environment, the Acquirer must submit a clearing message to the Interchange System within one calendar day of the Issuer’s approval of the authorization request.
7. A reversal or adjustment of a Payment Transaction must only be submitted to correct a documented clerical error. In such an event, the error must be reversed or adjusted within three calendar days of the date the Payment Transaction was submitted to the Interchange System for posting to a MasterCard Account, or within one calendar day if submitted for

posting to a Maestro or Cirrus Account. Reversible clerical errors include, by way of example and not limitation, the erroneous capture of Transaction data, a duplicate Transaction, or an error caused by the transposition of data.

8. The Acquirer or Merchant that offers the Payment Transaction service must not request or require that a Cardholder disclose his or her PIN. If the Payment Transaction service is provided via a web page, the Merchant must not design that web page in any way that might lead the Cardholder to believe that he or she must provide his or her PIN. Similarly, if the Cardholder is asked to complete a form in order to conduct a Payment Transaction, the contents of that form must not lead the Cardholder to believe that he or she must provide his or her PIN. The Acquirer must ensure that the Merchant is following these procedures. The Corporation will also, from time to time, perform audits on these Merchants to ensure that they are compliant with this and all other requirements.

**NOTE An addition to this Rule appears in the “Europe Region” section at the end of this chapter.**

### **Payment Transactions—Issuer Requirements**

An Issuer that offers the Payment Transaction must make either the PAN or a pseudo PAN available to the Cardholder. If the Issuer provides the Cardholder with a pseudo PAN, the Issuer must be able to link the pseudo PAN to the Cardholder’s actual PAN.

The Issuer, at its discretion, may:

1. Authorize the Payment Transaction;
2. Approve (and receive remuneration for costs incurred) or reject any requests by the Acquirer to correct a clerical error;
3. Establish a maximum Transaction amount; or
4. Determine when to make the transferred funds available to the recipient—immediately or after a period of time defined by the Issuer.

A Payment Transaction must be effected in a way that does not conflict with Cardholder agreements or instructions.

**NOTE An addition to this Rule appears in the “Europe Region” section at the end of this chapter.**

### **Gaming Payment Transactions—Europe Region Only**

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**NOTE A Rule on this subject appears in the “Europe Region” section at the end of this chapter.**



## MoneySend Payment Transactions

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A MoneySend Payment Transaction is a transfer of funds to an Account via the MoneySend platform through the Interchange System. A MoneySend Payment Transaction is not a credit that reverses a previous Card purchase. A MoneySend Payment Transaction sent to a credit Card issued in India must originate within India and must not exceed the outstanding balance of the credit Card.

Each Issuer and Acquirer and each MoneySend Payment Transaction must comply with all requirements set forth in the Standards applicable to MoneySend, including but not limited to those herein and in Appendix C, in the technical specifications for authorization messages, and in the *MoneySend Program Guide*.

An Issuer of a consumer Card Program (excluding anonymous prepaid and gift Card Accounts) must be able to receive, process, authorize (meaning making an individual authorization decision with respect to each MoneySend Payment Transaction), and post MoneySend Payment Transactions in compliance with the Standards applicable to MoneySend.

## Variations and Additions by Region

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The remainder of this chapter provides modifications to the Standards set out in this chapter. The modifications are organized by region or country and by applicable subject title.

### Europe Region

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The following modifications to the Rules apply in the Europe Region or in a particular Region country or countries. Refer to Appendix A for the Europe Region and Single European Payments Area (SEPA) geographic listing.

### Payment Transactions

#### **Payment Transactions—Acquirer and Merchant Requirements**

In the Europe Region, the Rule on this subject is modified as follows.

With respect to an interregional Payment Transaction involving a Europe Region Acquirer and an Issuer located in another Region, if the Acquirer does not submit a clearing message to the Interchange System within seven days of the authorization request, the Corporation collects the Payment Transaction amount and any additional fees charged from the Acquirer by means of a Fee Collection/1740 message.

#### **Payment Transactions—Issuer Requirements**

In **Italy**, the Rule on this subject is modified as follows:

1. An Issuer must support, process, and provide a valid authorization response to each Payment Transaction authorization request received, for all prepaid MasterCard, Debit

- MasterCard (including prepaid), and MasterCard charge Card Programs (revolving credit Card Programs are excluded); and
2. Except with respect to non-reloadable prepaid Cards, an Issuer must not automatically decline Payment Transactions.

## Gaming Payment Transactions

In the Europe Region, in addition to the requirements for Payment Transactions, the following requirements apply to Gaming Payment Transactions:

1. The Gaming Payment Transaction may only be used to transfer winnings or unspent chips or other value usable for gambling to the same Card that the Cardholder used to place the bet or purchase value used or usable for gambling.
2. The Gaming Payment Transaction must be properly identified in authorization and clearing messages using MCC 7995, a Transaction type value of 28, and a Payment Transaction program type value of C04.
3. The Gaming Payment Transaction must not exceed EUR 50,000.
4. E-commerce Merchants that process Gaming Payment Transactions must be MasterCard® *SecureCode*™-enabled, and must seek Cardholder authentication during authorization of the Transaction in which the bet is placed or the value to be used for gambling is purchased. The MasterCard Advanced Registration Program (MARP) is not available for such Merchants.
5. Mail order and telephone order (MO/TO) Merchants may process Gaming Payment Transactions.
6. Gaming Payment Transactions must not be processed to any type of MasterCard Corporate Card.
7. The following Anti-Money-Laundering (AML) requirements apply:
  - a. The Acquirer must consider its Merchants that submit Gaming Payment Transactions as higher risk under its anti-money laundering compliance program.
  - b. In addition to any requirement of applicable local law or regulation, the Acquirer must conduct enhanced customer due diligence reviews of any Merchant that submits Gaming Payment Transactions.
  - c. The Acquirer must ensure that each Merchant that submits Gaming Payment Transactions have appropriate controls in place to identify legitimate customers and to block suspicious activities or Cards.
  - d. The Acquirer must have robust procedures and ongoing controls in place to monitor Transactions conducted by Merchants that submit Gaming Payment Transactions and to detect and report any potentially suspicious activity.
8. A Gaming Payment Transaction may be effected if not prohibited by applicable law or regulation and only for Cards issued in the following countries.

Country Code	Country	Country Code	Country
020	Andorra	428	Latvia

040	Austria	442	Luxembourg
056	Belgium	470	Malta
100	Bulgaria	492	Monaco
196	Cyprus	528	Netherlands
203	Czech Republic	578	Norway
208	Denmark	642	Romania
233	Estonia	674	San Marino
250	France	703	Slovakia
280	Germany	705	Slovenia
292	Gibraltar	724	Spain
300	Greece	752	Sweden
348	Hungary	756	Switzerland
352	Iceland	792	Turkey
372	Ireland	826	United Kingdom
380	Italy		

9. An Issuer in a country listed above must support the Gaming Payment Transaction in authorization and clearing messages.
10. Gaming Payment Transactions will not be authorized in MasterCard Stand-In or Down Option Services. Authorization is entirely under the control of the Issuer.

## Chapter 7 Terminal Requirements

*The following Standards apply with regard to POS Terminals, ATM Terminals, and PIN-based In-Branch Terminals. Where applicable, variations or additions by region and/or country are provided at the end of this chapter in the section titled, "Variations and Additions by Region."*

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## Terminal Eligibility

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The following types of terminals, when compliant with the applicable technical requirements and other Standards, are eligible to be Terminals:

1. Any ATM Terminal or PIN-based In-Branch Terminal that is owned, operated or controlled by a Customer;
2. Any ATM Terminal that is owned, operated or controlled by an entity that is ineligible to be a Customer, provided that such ATM Terminal is connected to the Interchange System by a Principal or Affiliate;
3. Any POS Terminal that is owned, operated or controlled by a Merchant, provided that such POS Terminal is connected to the Interchange System by a Principal or Association; and
4. Any other type of terminal which the Corporation may authorize.

A terminal that dispenses scrip is ineligible to be a POS Terminal, ATM Terminal, or PIN-based In-Branch Terminal.

## Terminal Requirements

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Each Terminal must:

1. Have an online connection to the Acquirer host system for the authorization of Transactions, except where offline-only processing is specifically permitted by the Standards. If online PIN is a supported CVM, the Terminal must be able to encrypt PINs at the point of entry and send them to the Acquirer host system in encrypted form in accordance with the PIN security Standards.
2. Accept any Card that conforms with the encoding Standards, including but not limited to the acceptance of all valid PAN lengths, major industry identifier numbers and BINs/IINs, effective and expiration dates, chip application effective dates, service code values, and characters encoded in the discretionary data.
3. Support all required Transaction types and valid Transactions in accordance with the Standards; and
4. Have a magnetic stripe reader capable of reading Track 2 data encoded on the magnetic stripe of a Card, and transmit all such data for authorization;
5. Not perform tests or edits on Track 1 data for the purpose of disqualifying Cards from eligibility for Interchange System processing;
6. For magnetic stripe Transactions, perform a check (either at the Terminal or in the Acquirer host system) of the track layout, limited to the start sentinel, separator, end sentinel, and Longitudinal Redundancy Check (LRC), to ensure that the Card conforms to the technical specifications set forth in Appendix A of the *Security Rules and Procedures* manual. If an LRC error occurs or the track data cannot be interpreted correctly or verified, the Transaction must not be processed or recorded; and
7. Prevent additional Transactions from being entered into the system while a Transaction is being processed.

A Cardholder-facing or unattended Terminal additionally must:

1. Ensure privacy of PIN entry to the Cardholder (where PIN processing is required and/or supported);
2. Provide Cardholder operating instructions in English as well as the local language, as selected by the Cardholder. Two or more languages may be displayed simultaneously. In the Europe Region, operating instructions in French and German must also be available whenever technically feasible, and Spanish and Italian are recommended; and
3. Have a screen display that enables the Cardholder to view the data (other than the PIN), entered into the Terminal by that Cardholder, or the response received as the result of the Cardholder's Transaction request. This data will include the application labels or preferred names on a multi-application Card, and the amount of the Transaction; and

Refer to the *Security Rules and Procedures* for additional requirements related to Terminal security, PIN processing, and use of service codes. Refer to "Providing a Transaction Receipt" in Chapter 3 for POS Terminal, ATM Terminal, and PIN-based In-Branch Terminal receipt requirements, including truncation of the primary account number (PAN).

## Terminal Function Keys

The support of the following function keys on a Terminal that supports entry of a PIN is recommended:

1. A key used to restart the process of PIN entry or entry of the Transaction amount. The preferred color is yellow, and the preferred label is **CORR** or **CANCEL**.
2. A key used to complete the process of PIN entry or entry of the Transaction amount. The preferred color is green, and the preferred label is **OK**.
3. A key used to terminate a Transaction. The preferred color is red, and the preferred label is **STOP** or **CANCEL**. In the Europe Region, this key is mandatory. The key must allow the Cardholder to cancel a Transaction prior to the final step that results in the submission of an authorization request.

## Terminal Responses

A Terminal must be able to display or print the response required in the applicable technical specifications. The Acquirer or Merchant must provide an appropriate message to the Cardholder whenever the attempted Transaction is rejected, either with a specific reason or by referring the Cardholder to the Issuer.

## Terminal Transaction Log

The Acquirer must maintain a Terminal Transaction log. The log must include, at a minimum, the same information provided on the Cardholder receipt, including the Card sequence number, if present. The log must include the full PAN, unless otherwise supported by supplementary reported data, and must not include the PIN or any discretionary data from the Card's magnetic stripe or chip. Only the data necessary for research should be recorded. An Issuer may request a copy of this information.

The Terminal must not electronically record a Card's full magnetic stripe or chip data for the purpose of allowing or enabling subsequent authorization requests, after the initial authorization attempt. The only exception to this Rule is for Merchant-approved Maestro POS Transactions, which may be logged until either the Transaction is authorized or the end of the 13-day period during which the Merchant may make attempts to obtain an authorization pursuant to the Standards, whichever occurs first.

When an attempted Transaction is rejected, an indication or reason for the rejection must be included on the Terminal Transaction log.

## Contactless Payment Functionality

A Terminal may be deployed with both contact and contactless payment functionality. For purposes of this Rule, a "contactless-enabled" Terminal is any POS Terminal (including any MPOS Terminal), ATM Terminal, or PIN-based In-Branch Terminal with a contactless reader that is activated and that accepts Cards and Access Devices based on contactless magnetic stripe technology ("Magnetic Stripe Mode") and also optionally contactless chip technology ("EMV Mode").

### Contactless Reader Requirements

The reader of a contactless-enabled Terminal must:

- Comply with MasterCard Contactless Reader Specification Version 3.0 (MCL 3.0) or EMV CL Book C-2; and
- For POS Terminals only (including MPOS Terminals), be configured to support On-Device Cardholder Verification and the processing of Contactless Transactions that exceed the applicable Cardholder verification method (CVM) limit amount up to the amount that the same POS Terminal supports on its contact interface.

This requirement takes effect:

- **1 January 2016** for any contactless-enabled Terminal submitted to the Corporation for M-TIP testing as a new project; and
- **1 January 2019** for all contactless-enabled Terminals.

The contactless limit for transactions where On-Device Cardholder Verification is not used is unaffected by this change.

### Proximity Coupling Device Requirements

The Proximity Coupling Device (PCD) of a newly deployed contactless reader must comply with the latest EMV CL Book D version, as follows.

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<p><b>For new contactless reader deployments, the Acquirer must ensure that any contactless reader submitted to the Corporation for M-TIP testing on or after...</b></p>	<p><b>Uses a PCD that is compliant with...</b></p>
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1 April 2015	EMV CL Version 2.2 or above (or a PCD of equivalent quality)
1 January 2018	EMV CL Version 2.3.1 or above
1 January 2019	EMV CL Version 2.5 (if available) or above

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**NOTE A new contactless reader deployment means the introduction of contactless payment functionality at a location or the complete replacement of all contactless readers at a location. A contactless reader based on an older version of PCD is of equivalent quality to EMV CL Version 2.2 if it has passed *Version 2.2 Confidence Testing*.**

## POS Terminal Requirements

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Each POS Terminal must comply with the requirements set forth in “Terminal Requirements,” except contactless-only POS Terminals as described below. Each Merchant is responsible for the maintenance arrangements of its POS Terminals, unless the Acquirer undertakes this function.

For unattended POS Terminal requirements, refer to “Transactions at Unattended POS Terminals” and “Automated Fuel Dispenser Transactions” in Chapter 4. An unattended POS Terminal that accepts MasterCard Cards must comply with the Cardholder-Activated Terminal requirements set forth in Appendix D.

**NOTE Modifications to this Rule appear in the “Europe Region” section at the end of this chapter.**

### Contactless Payment Functionality

A POS Terminal may be deployed with both contact and contactless payment functionality.

A POS Terminal with contactless payment functionality that is deployed in Brazil, Chile, Colombia, the Europe Region, or the United States Region must support online PIN as the CVM for any Maestro Contactless Transaction initiated with a Card or Access Device issued in any of these locations that exceeds the applicable Contactless Transaction CVM limit amount. In Brazil, this requirement also applies to Maestro Contactless Magnetic Stripe Transactions that exceed BRL 50.

**NOTE Rules on this subject appear in the “Canada Region,” “Europe Region,” and “United States Region” sections at the end of this chapter.**

### Contactless-only POS Terminals

A POS Terminal that utilizes only contactless payment functionality, as permitted in accordance with “Contactless-only Acceptance” in Chapter 4, must comply with all of the requirements

set forth in “POS Terminal Requirements” except those applicable to contact magnetic stripe or chip functionality. In addition, such a POS Terminal must:

1. Request a cryptogram for all Contactless Transactions, and if the Transaction is approved, transmit an application cryptogram and related data; and
2. If Cards and Access Devices with contactless chip payment functionality are accepted, support both online and offline authorization.

## Mobile POS (MPOS) Terminals

Any Merchant may use a Mobile POS (MPOS) Terminal that complies with the POS Terminal Standards, including but not limited to those related to functionality and security. The CAT 9 indicator must be used in all authorization and clearing messages for Transactions occurring at MPOS Terminals, as described in Appendix C.

Only a Merchant with less than USD 100,000 in annual MasterCard POS Transaction Volume may use an MPOS Terminal with any of the following characteristics, for MasterCard POS Transaction processing only:

1. Does not support electronic signature capture and cannot print a paper Transaction receipt; or
2. Has a contact chip reader and magnetic stripe-reading capability but does not support PIN as a CVM for Contact Chip Transactions; or
3. Is a Chip-only MPOS Terminal.

If an MPOS Terminal cannot print a paper Transaction receipt at the time the Transaction is conducted, the Merchant must have a means by which to provide a receipt to the Cardholder upon request (for example, in an email or text message). If such means involves the storage, transmission, or processing of Card data, then it must comply with the Payment Card Industry Data Security Standard (PCI DSS).

PIN verification, if supported by an MPOS Terminal, must be conducted by means of a PIN entry device (PED) that complies with section 4.9 of the *Security Rules and Procedures* manual.

A Chip Transaction that occurs at an MPOS Terminal must be authorized online by the Issuer, resulting in the generation of a unique Authorization Request Cryptogram (ARQC).

A Chip-only MPOS Terminal must use the following values:

- A value of 9 in DE 61 (Point-of-Service Data), Subfield 11 (POS Card Data Terminal Input Capability Indicator) in the Authorization Request/0100 or Financial Transaction Request/0200 message, as described in the *Customer Interface Specification* and *Single Message System Specifications* manuals; and
- A value of E in DE 22 (Point of Service Data Code), Subfield 1 (Terminal Data: Card Data Input Capability) of the First Presentment/1240 message, as described in the *IPM Clearing Formats* manual.

The Acquirer must comply with the MPOS Terminal requirements set forth in the *M/Chip Requirements* manual, the EMV chip specifications, and section 4.10 of the *Security Rules and Procedures* manual.

## Signature-based Maestro POS Terminals

**NOTE A Rule on this subject appears in the “Europe Region” section at the end of this chapter.**

## ATM Terminal and PIN-based In-Branch Terminal Requirements

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In addition to complying with “Terminal Requirements,” each ATM Terminal and PIN-based In-Branch Terminal must:

1. Offer cash withdrawals from an Account;
2. Offer balance inquiry functionality to Cardholders, if balance inquiry functionality is offered to cardholders of any other network accepted at that ATM Terminal or PIN-based In-Branch Terminal;
3. During Account selection, include the word “Savings” when offering a cash withdrawal or transfer from a savings account, and the word “Checking” or “Chequing” when offering a cash withdrawal or transfer from a checking account;
4. Not automatically generate an online reversal for the full or partial amount of any authorized cash withdrawal or disbursement when the ATM Terminal or PIN-based In-Branch Terminal indicates that such Transaction was not completed because the Cardholder failed to collect some or all of the cash dispensed;
5. Have an online connection to the Acquirer host system;
6. Encrypt the PIN at the point of entry and send the PIN to the Acquirer host system in encrypted form, in accordance with the PIN security Standards;
7. Process each Transaction in the currency dispensed by the ATM Terminal or PIN-based In-Branch Terminal during that Transaction. ATM Terminals or PIN-based In-Branch Terminals may process Transactions in other currencies only if done in accordance with “POI Currency Conversion” in Chapter 3, except that a withdrawal of foreign currency may be processed in the issuing currency of the Card if it is the same as the currency of the country where the ATM Terminal or PIN-based In-Branch Terminal is located. The amount of currency dispensed, Transaction amount, and conversion rate must be shown on the screen before the Cardholder completes the Transaction and must also be included on the Transaction receipt.

Both single-line and multi-line screens that have a screen width of at least 16 characters are acceptable. A minimum screen width of 40 characters is recommended.

An ATM Terminal or PIN-based In-Branch Terminal also:

1. May offer Merchandise Transactions from no account specified; and
2. May offer MoneySend Payment Transactions.

Refer to Chapter 4 of the *Security Rules and Procedures* manual for PIN entry device and PIN security requirements.

**NOTE Additions and/or variations to this Rule appear in the “Asia/Pacific Region,” “Canada Region,” “Europe Region,” and “United States Region” sections at the end of this chapter.**

## ATM Terminals

In addition to complying with “ATM Terminal and PIN-based In-Branch Terminal Requirements,” an ATM Terminal must permit the Cardholder to obtain the equivalent of USD 100 in the currency in use at the ATM Terminal per Transaction, subject to authorization of the Transaction by the Issuer.

Refer to “ATM Transactions” in Chapter 4 for additional requirements.

## PIN-based In-Branch Terminals

In addition to complying with “ATM Terminal and PIN-based In-Branch Terminal Requirements,” a PIN-based In-Branch Terminal must:

1. Be approved in writing by the Corporation to have access to the Interchange System;
2. Accept all Maestro and Cirrus Cards. Branches offering the service must display the Maestro and Cirrus Acceptance Marks on the door or window, and at the counter where the service is provided;
3. Clearly describe by Transaction receipt, screen information, or both the action taken in response to a Cardholder’s request. It is recommended that the branch address also be printed on the Transaction receipt;
4. Permit the Cardholder to obtain the equivalent of USD 200 in the currency in use at the PIN-based In-Branch Terminal per Transaction, subject to authorization of the Transaction by the Issuer. The currency may be dispensed in local currency or another currency, provided the Cardholder is informed of the currency that will be dispensed before the Transaction is performed. The Transaction receipt, if provided, must identify the currency dispensed.

**NOTE** An addition to this Rule appears in the “Europe Region” section at the end of this chapter.

## Hybrid Terminal Requirements

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In addition to complying with the requirements set forth in “Terminal Requirements,” all Hybrid Terminals must:

1. Read required data from the chip when present in Chip Cards, and either transmit or process, as appropriate, all required data for authorization processing;
2. Complete the Transaction using the EMV chip if present;
3. Be capable of performing fallback procedures when the Transaction cannot be completed using chip technology because of a technical failure (“technical fallback”), except when prohibited by a Region or where Acquirer withdrawal of fallback support is permitted, as set forth in the *MI/Chip Requirements*. Refer to Appendix D for Cardholder-Activated Terminal (CAT) device technical fallback support requirements;
4. Read and process EMV-compliant Payment Applications for each of the Corporation’s brands accepted at that location when a Card containing any such Payment Application is

presented, if the Hybrid Terminal reads and processes any other EMV-compliant payment application.

5. Request a cryptogram for all chip-read Transactions; if the transaction is approved, transmit an application cryptogram and related data.

A chip-capable Terminal that does not satisfy all of the requirements to be a Hybrid Terminal is deemed by the Corporation to be a magnetic stripe-only Terminal, and must be identified in Transaction messages as such.

Chip Transactions must be processed in accordance with the *M/Chip Requirements* manual, the *Security Rules and Procedures* manual, and other applicable technical specifications. In particular, refer to:

- The *Security Rules and Procedures* manual for Hybrid Terminal security and PIN processing requirements;
- The *M/Chip Requirements* manual for technical fallback, Cardholder verification method (CVM) fallback, and Card authentication method (CAM) support requirements; and
- The *Chargeback Guide* for information about Intracountry Transaction and Intraregional Transaction chip liability shifts and the Global Chip Liability Shift Program for Interregional Transactions.

**NOTE Additions and/or variations to this Rule appear in the “Asia/Pacific Region,” “Europe Region,” and “Latin America and the Caribbean Region” sections at the end of this chapter.**

## Hybrid POS Terminal Requirements

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In addition to complying with the requirements set forth in “Hybrid Terminal Requirements,” a Hybrid POS Terminal must:

1. At a minimum, support online authorization.
2. If Maestro Cards are accepted, support both online and offline PIN as the CVM. On a country-by-country basis, MasterCard may permit Acquirers to, at a minimum, support offline PIN as the CVM as outlined in “Maestro Cardholder Verification—PIN and Signature Requirements” in Chapter 3.
3. Perform floor limit and Card velocity checking. Transactions above the floor limit programmed in the POS Terminal must be routed online to the Issuer, as indicated by the authorization request cryptogram (ARQC).
4. Support online mutual authentication (OMA) and script processing if connected to a debit acquiring network.
5. If offline Transactions are supported, identify all offline Transactions as such to the Issuer when submitted for clearing and settlement.

A Hybrid POS Terminal is identified in Transaction messages with the following values:

- A value of 3, 5, 8, or 9 in DE 61 (Point-of-Service Data), Subfield 11 (POS Card Data Terminal Input Capability Indicator) in the Authorization Request/0100 or Financial

Transaction Request/0200 message, as described in the *Customer Interface Specification* and *Single Message System Specifications* manuals; and

- A value of 5, C, D, E, or M in DE 22 (Point of Service Data Code), Subfield 1 (Terminal Data: Card Data Input Capability) of the First Presentment/1240 message, as described in the *IPM Clearing Formats* manual.

A PIN-capable Hybrid POS Terminal is indicated when in addition, DE 22, Subfield 2 (Terminal Data: Cardholder Authentication Capability), of the First Presentment/1240 message contains a value of 1.

A chip-capable POS Terminal that does not satisfy all of the requirements to be a Hybrid POS Terminal is deemed by the Corporation to be a magnetic stripe-only POS Terminal and must be identified in Transaction messages as such.

**NOTE Additions to this Rule appear in the “Asia/Pacific Region,” “Europe Region,” and “Middle East/Africa Region” sections at the end of this chapter.**

## Hybrid POS Terminal and Chip-only MPOS Terminal Displays

A Hybrid POS Terminal (including any Hybrid MPOS Terminal) and a Chip-only MPOS Terminal must:

1. Display to the Cardholder all mutually supported application labels or preferred names. Multiple matching applications must be displayed in the Issuer’s priority sequence.
2. Allow the Cardholder to select the application to be used when multiple matching applications exist.
3. Display to the Cardholder the Transaction amount and Transaction currency, if different from the Merchant’s or cash disbursement agent’s local currency.

## Hybrid ATM Terminal and PIN-based In-Branch Terminal Requirements

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In addition to complying with the requirements set forth in “Hybrid Terminals Requirements,” each Hybrid ATM Terminal and Hybrid PIN-based In-Branch Terminal must:

1. Obtain online authorization from the Issuer for each Transaction, whether the magnetic stripe or the chip of the Card is used to initiate the Transaction. Offline authorization by means of the chip, for a technical or any other reason, is not permitted;
2. Support online PIN as the CVM for Transactions;
3. Support full use of the multi-application capabilities of Chip Cards by:
  - a. Maintaining a complete list of all Application Identifiers (AIDs) for all products they accept;
  - b. Receiving and retaining updates of AIDs for all products they accept;
  - c. Attempting to match all AIDs contained in the ATM Terminal or PIN-based In-Branch Terminal with those on any EMV-compliant Chip Card used;
  - d. Displaying all matching application labels or preferred names to the Cardholder, except when the Standards permit a compatible product or application to take priority;

- e. Allowing the Cardholder to select the application to be used when multiple matching applications exist, except when the Standards permit a compatible product or application to take priority; and
- f. Providing the Cardholder the option of approving or canceling a Merchandise Transaction before the products are dispensed or the services are performed.

**NOTE** An addition to this Rule appears in the “Europe Region” section at the end of this chapter.

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## Variations and Additions by Region

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The remainder of this chapter provides modifications to the Standards set out in this chapter. The modifications are organized by region or country and by applicable subject title.

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### Asia/Pacific Region

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The following modifications to the Rules apply in the Asia/Pacific Region or in a particular Region country or countries. Refer to Appendix A for the Asia/Pacific Region geographic listing.

#### ATM Terminal and PIN-based In-Branch Terminal Requirements

In the Asia/Pacific Region, the Rule on this subject is modified as follows.

An Acquirer must ensure that each of its ATM Terminals and PIN-based In-Branch Terminals offer:

1. Cash withdrawals from savings accounts and checking accounts;
2. Cash advances from a credit card; and
3. Balance inquiry for checking accounts, savings accounts, and credit cards.

#### Hybrid Terminal Requirements

In the Asia/Pacific Region, the Rule on this subject is modified as follows.

All new Terminals deployed by Region Customers and capable of accepting Chip Cards (credit or debit) must be EMV-compliant.

#### Hybrid POS Terminal Requirements

In the Asia Pacific Region, the Rule on this subject is modified as follows.

All new or retrofitted Terminals deployed by Region Customers must be capable of upgrade to EMV compliance.

## Canada Region

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The following modifications to the Rules apply in the Canada Region. Refer to Appendix A for the Canada Region geographic listing.

### POS Terminal Requirements

#### Contactless Payment Functionality

In the Canada Region, an Acquirer of Merchants that use POS Terminals with contactless payment functionality must comply with both of the following:

1. **PayPass Version 3.0**—Effective 17 October 2014, the contactless reader of a newly deployed POS Terminal must support *PayPass* version 3.0 or later. This requirement does not apply to individual replacements of previously deployed contactless-enabled POS Terminals. However, if a Merchant is upgrading its entire POS Terminal inventory on or after 17 October 2014, then all upgraded or replaced contactless-enabled POS Terminals must support *PayPass* version 3.0 or later.
2. **Device Type Indicator**—An Acquirer must ensure that any contactless-enabled POS Terminal that is newly deployed on or after 17 October 2014 transmits the device type indicator in DE 48, subelement 23 (Payment Initiation Channel), subfield 1 (Device Type) of authorization messages when present in the Card or Access Device used to effect a Transaction. The Acquirer must also include the device type indicator, when present, in PDS 0198 (Device Type Indicator) of First Presentment/1240 messages.

### ATM Terminal and PIN-based In-Branch Terminal Requirements

In the Canada Region, the Rule on this subject is modified as follows.

An Acquirer must ensure that each of its ATM Terminals and PIN-based In-Branch Terminals:

1. Offer cash withdrawal from a savings and checking (or chequing) accounts;
2. Offer cash advances from a credit card.
3. If offered via a Competing ATM Network, offer balance inquiry to a savings account, checking account, and/or credit card account, and transfers from checking to savings and from savings to checking accounts.
4. If cash withdrawals not requiring account selection are performed, convert the Transaction to a withdrawal from no account specified.

An ATM Terminal or PIN-based In-Branch Terminal may offer cash withdrawals from no account specified.

## Europe Region

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The following modifications to the Rules apply in the Europe Region or in a particular Region country or countries. Refer to Appendix A for the Europe Region and Single European Payments Area (SEPA) geographic listing.



## POS Terminal Requirements

The following requirements apply in **Greece**:

1. A POS Terminal must be configured to require entry of the Transaction amount before the Card or Access Device is swiped, dipped, or tapped.
2. A POS Terminal deployed at a Merchant location where a gratuity may be added (such as a bar, restaurant, hotel, or taxi) must contain an automated prompt to the Cardholder to add the gratuity before the authorization request is submitted. This requirement applies for the addition of a gratuity to all types of Transactions.

### Contactless Payment Functionality

In the Europe Region, the Rule on this subject is modified as follows.

The contactless reader of a POS Terminal that is deployed at a Merchant newly adopting contactless payment functionality on or after 1 January 2014 must support MCL version 3.0 or later. A Merchant that has deployed any contactless-enabled POS Terminals before 1 January 2014 may support an earlier MCL version with respect to contactless-enabled POS Terminals that are deployed, upgraded, or replaced at its existing and new Merchant locations.

An attended or unattended POS Terminal that supports MasterCard Contactless Version 3.0 must support On-device Cardholder Verification in addition to any other CVM specified in the Rules.

The Acquirer of a Merchant located in the Europe Region (excluding countries where a country-specific mandate is set out below) must ensure that:

- All new and all upgraded POS Terminals (including MPOS Terminals) deployed on or after 1 January 2016 are contactless-enabled; and
- Effective 1 January 2020, all existing POS Terminals (including MPOS Terminals) are contactless-enabled.

The Acquirer of a Merchant located in...	Must ensure that all <b>new and upgraded POS Terminals</b> (including MPOS Terminals) are contactless-enabled if deployed on or after:	Must ensure that all <b>existing POS Terminals</b> (including MPOS Terminals) are contactless-enabled as of:
Bulgaria	1 July 2015	1 July 2018
Estonia	1 January 2017	1 January 2020
Germany	1 January 2015	1 January 2018
Hungary	1 July 2014	1 July 2017
Latvia	1 January 2017	1 January 2020
Lithuania	1 January 2017	1 January 2020
Montenegro	1 July 2015	1 July 2018

Romania	1 January 2015	1 January 2018
Serbia	1 July 2015	1 July 2018
Slovenia	1 January 2016	1 January 2019
Sweden	1 January 2017	1 January 2020
Turkey	1 July 2014	1 July 2017

The Acquirer of a Merchant located in **Czech Republic** or **Slovakia** with an annual Transaction Volume of more than USD 100,000 must ensure that:

- All new and all upgraded POS Terminals (including MPOS Terminals) deployed on or after 1 July 2014 are contactless-enabled; and
- As of 1 July 2017, all existing POS Terminals (including MPOS Terminals) are contactless-enabled.

The Acquirer of a Merchant located in **Hungary** or **Turkey** must ensure that:

- All new and all upgraded POS Terminals (including MPOS Terminals) deployed on or after 1 July 2014 are contactless-enabled; and
- As of 1 July 2017, all existing POS Terminals (including MPOS Terminals) are contactless-enabled.

The Acquirer of a Merchant located in **Poland** must ensure that:

- All new, upgraded, and replacement POS Terminals (except for MPOS Terminals) deployed on or after 1 January 2014 are contactless-enabled and support MCLversion 3.0 or later; and
- As of 1 January 2017, all existing POS Terminals (except for MPOS Terminals) are contactless-enabled and support MCLversion 3.0 or later (readers deployed before 1 January 2014 are not required to be upgraded to MCLversion 3.0).

The Acquirer of a Merchant located in **Italy** and identified with one of the following Card acceptor business codes (MCCs) must ensure that:

- All new, upgraded, and replacement POS Terminals deployed at the Merchant's locations on or after 1 January 2014 are contactless-enabled and support MCLversion 3.0 or later; and
- As of 1 January 2017, all existing POS Terminals at the Merchant's locations are contactless-enabled.

MCC	Description
5310	Discount Stores
5311	Department Stores

<b>MCC</b>	<b>Description</b>
5411	Grocery Stores, Supermarkets
5499	Miscellaneous Food Stores—Convenience Stores, Markets, Specialty Stores
5541	Service Stations (with or without Ancillary Services)
5651	Family Clothing Stores
5661	Shoe Stores
5691	Men's and Women's Clothing Stores
5699	Accessory and Apparel Stores—Miscellaneous
5719	Miscellaneous House Furnishing Specialty Shops
5722	Household Appliance Stores
5812	Eating Places, Restaurants
5813	Bars, Cocktail Lounges, Discotheques, Nightclubs, and Taverns—Drinking Places (Alcoholic Beverages)
5814	Fast Food Restaurants
5912	Drug Stores, Pharmacies
5942	Book Stores
5977	Cosmetic Stores
7230	Barber and Beauty Shops
7523	Automobile Parking Lots and Garages
7832	Motion Picture Theaters

### **Signature-based Maestro POS Terminals**

A "signature-based Maestro POS Terminal" is a POS Terminal with no online PIN capability and which therefore uses signature as the CVM for magnetic stripe-based Transactions and Chip Transactions effected with Cards that do not support offline PIN. The following requirements apply to signature-based Maestro POS Terminals:

1. If the signature is unsatisfactory, the Merchant must be able to indicate the cancellation of the Transaction to the POS Terminal, or perform a refund;
2. In case of temporary printer malfunction, the POS Terminal should be able to reprint the receipt, preferably including a duplicate statement, without repeating the Transaction process;
3. The POS Terminal must be designed to protect the Cardholder from deception with regard to:
  - a. The fact that no PIN is required;
  - b. The normal sequence of Transaction steps;
  - c. The information printed or displayed;
  - d. Additional data requested;
  - e. The authorization response;
  - f. The completion or cancellation of the Transaction.

### ATM Terminal and PIN-based In-Branch Terminal Requirements

In the Europe Region, the Rule on this subject is modified as follows.

1. Each ATM Terminal and PIN-based In-Branch Terminal must be capable of dispensing, without limit per Transaction, the authorized amount requested by the Cardholder unless for technical and/or security considerations/constraints, the amount per Transaction is limited to at least the equivalent of EUR 200 in local currency.
2. For Domestic Transactions in **Ukraine**, each ATM Terminal must be capable of dispensing the authorized amount requested by the Cardholder, or at least UAH 1000 per Transaction. An Acquirer may limit the number of cash withdrawal Domestic Transactions per day, provided that the limit is not less than three Transactions per Card per day.
3. Transfers from one account to another and account selection are not currently supported in the Europe Region.
4. An Acquirer in the **United Kingdom** must support and offer available and ledger balance inquiry functionality for UK-issued Cards at all of its ATM Terminals and PIN-based In-Branch Terminals.
5. An Acquirer in **Armenia, Belarus, or Kazakhstan** must support and offer balance inquiry functionality at all of its ATM Terminals and PIN-based In-Branch Terminals.
6. An Acquirer in **Albania, Bosnia, Bulgaria, Croatia, Czech Republic, Hungary, Kosovo, Macedonia, Moldova, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, or Ukraine** must support and offer balance inquiry and PIN change and unblock functionality at all of its ATM Terminals and PIN-based In-Branch Terminals.
7. Effective 16 October 2015, an Acquirer in the Europe Region must support and offer domestic and intra-European balance inquiry and PIN change and unblock functionality at all of its ATM Terminals. The requirement to support PIN change and unblock functionality applies in relation to Chip Cards only.
8. Except when a Transaction was not completed because the Cardholder failed to collect some or all of the cash dispensed, the Acquirer must send a reversal or partial reversal within 60 seconds of receiving the authorization response at the Acquirer host system when a Transaction fails to complete.

### **PIN-based In-Branch Terminals**

In the Europe Region, the Rule on this subject is modified as follows.

An Issuer is required to support and an Acquirer may optionally support Transactions effected with a PIN-based In-Branch Terminal.

### **Hybrid Terminal Requirements**

In the Europe Region, the Rule on this subject is modified as follows.

1. The Acquirer must be capable of carrying the full set of Issuer application data as defined in EMV (that is, up to 32 bytes) for Chip Transactions.
2. At a Hybrid ATM Terminal, if the Card also supports EMV chip technology, the Transaction must be completed using the chip. Technical fallback to magnetic stripe is not permitted.
3. Technical fallback is permitted at Hybrid POS Terminals and Hybrid PIN-based In-Branch Terminals. When technical fallback occurs, PIN must be used as the CVM. An Acquirer may withdraw support for technical fallback at attended POS Terminals and PIN-based In-Branch Terminals when the Acquirer is content that technical fallback support is no longer required to ensure good customer service. Upon doing so, the Acquirer must ensure that the POS Terminal or PIN-based In-Branch Terminal continues to support magnetic stripe Card acceptance.
4. All Terminals deployed within SEPA must support both magnetic stripe and EMV chip technology.
5. With respect to Terminals deployed in **Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Moldova, Montenegro, and Serbia**:
  - a. An Acquirer with any Terminals deployed in any of these countries that do not support both magnetic stripe and EMV chip technology must have an EMV migration project registered with MasterCard Customer Implementation Services.
  - b. All Terminals deployed in these countries must support both magnetic stripe and EMV chip technology.

### **Hybrid POS Terminal Requirements**

In the Europe Region, the Rule on this subject is modified as follows.

1. CVM fallback from PIN to signature on a Chip Transaction conducted with a Maestro Card is not permitted.
2. All Hybrid POS Terminals deployed within **SEPA** must support the use of PIN as the CVM for intra-SEPA Chip Transactions conducted with MasterCard Cards.

Refer to Chapter 4 of the *Security Rules and Procedures* manual for PIN support and PIN entry device requirements.

All Hybrid POS Terminals deployed in **Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Moldova, Montenegro, and Serbia** must support the use of PIN as the CVM for Chip Transactions conducted with a MasterCard Card.

### **Hybrid ATM Terminal and PIN-based In-Branch Terminal Requirements**

In the Europe Region, the Rule on this subject is modified as follows.

Where a Hybrid ATM Terminal or Hybrid PIN-based In-Branch Terminal supports more than one payment application residing on a Chip Card (for example, the Cirrus Payment Application and a stored value payment application), the Cardholder must be permitted to choose the preferred payment application.

## Latin America and the Caribbean Region

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The following modifications to the Rules apply in the Latin America and the Caribbean Region. Refer to Appendix A for the Latin America and the Caribbean Region geographic listing.

### Hybrid Terminal Requirements

In the Latin America and the Caribbean Region, the Rule on this subject is modified as follows.

All Terminals that are newly deployed within the Region must be EMV-compliant.

## Middle East/Africa Region

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The following variations and additions to the Rules apply in the South Asia/Middle East/Africa Region. Refer to Appendix A for the South Asia/Middle East/Africa Region geographic listings.

### Hybrid POS Terminal Requirements

In the South Asia/Middle East/Africa Region, the Rule on this subject is modified as follows.

All new or retrofitted Terminals deployed by Region Customers must be capable of upgrade to EMV compliance.

## United States Region

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The following modifications to the Rules apply in the United States (U.S.) Region. Refer to Appendix A for the U.S. Region geographic listing.

### POS Terminal Requirements

#### Contactless Payment Functionality

In the U.S. Region, the Acquirer of a Merchant that uses a POS Terminal with contactless payment functionality must comply with both of the following:

1. **PayPass Version 3.0**—The contactless reader of a newly deployed contactless-enabled POS Terminal must support *PayPass* version 3.0 or later.
2. **Device Type Indicator**—An Acquirer must ensure that any newly deployed contactless-enabled POS Terminal transmits the device type indicator in DE 48, subelement 23 (Payment Initiation Channel), subfield 1 (Device Type) of authorization messages when

present in the Card or Access Device used to effect a Transaction. The Acquirer must also include the device type indicator, when present, in PDS 0198 (Device Type Indicator) of First Presentment/1240 messages.

### **ATM Terminal and PIN-based In-Branch Terminal Requirements**

In the U.S. Region, the Rule on this subject is modified as follows:

1. An ATM Terminal or PIN-based In-Branch Terminal must:
  - a. Offer cash withdrawals from savings and checking accounts and cash advances from credit cards;
  - b. Offer balance inquiry for checking accounts, savings accounts, and credit cards;
  - c. Offer transfers from checking to savings accounts and from savings to checking accounts;
  - d. Offer Shared Deposit to savings accounts and checking accounts if the ATM Terminal or PIN-based In-Branch Terminal accepts shared deposits for any other shared deposit service; and
  - e. Convert a cash withdrawal performed without account selection to a withdrawal from no account specified.
2. An ATM Terminal or PIN-based In-Branch Terminal may offer:
  - a. Cash withdrawals from no account specified; and
  - b. Shared Deposit to savings and checking accounts if the Terminal does not accept shared deposits for any other shared deposit service.

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# Appendix A Geographic Regions

*This appendix provides listings of geographic regions.*

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## Asia/Pacific Region

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The Asia/Pacific Region includes the following countries or territories.

American Samoa	Myanmar
Australia	Nauru
Bangladesh	Nepal
Bhutan	New Caledonia
Brunei Darussalam	New Zealand
Cambodia	Niue
China	Norfolk Island
Christmas Island	Northern Mariana Islands
Cocos (Keeling) Islands	Palau
Cook Islands	Papua New Guinea
Fiji	Philippines
French Polynesia	Pitcairn
Guam	Samoa
Heard and McDonald Islands	Singapore
Hong Kong	Solomon Islands
India	Sri Lanka
Indonesia	Taiwan
Japan	Thailand
Kiribati	Timor-Leste
Korea, Republic of	Tokelau
Lao People's Democratic Republic	Tonga
Macao	Tuvalu
Malaysia	U.S. Minor Outlying Islands
Maldives	Vanuatu
Marshall Islands	Viet Nam
Micronesia, Federated States of	Wallis and Futuna

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Mongolia

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## Canada Region

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The Canada Region is composed of Canada.

## Europe Region

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The Europe Region includes the following countries or territories.

Albania	Greece	Norway <sup>2</sup>
Andorra	Greenland	Poland
Antarctica	Hungary	Portugal
Armenia	Iceland	Romania
Austria	Ireland	Russian Federation
Azerbaijan	Isle of Man	San Marino
Belarus	Israel	Serbia
Belgium	Italy	Slovakia
Bosnia and Herzegovina	Kazakhstan	Slovenia
Bulgaria	Kosovo	Spain
Channel Islands <sup>3</sup>	Kyrgyzstan	St. Helena, Ascension and Tristan Da Cunha
Croatia	Latvia	Sweden
Cyprus	Liechtenstein	Switzerland
Czech Republic	Lithuania	Tajikistan
Denmark <sup>4</sup>	Luxembourg	Turkey
Estonia	Macedonia	Turkmenistan
Finland <sup>5</sup>	Malta	Ukraine

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<sup>2</sup> Includes Svalbard and Jan Mayen.

<sup>3</sup> Includes Guernsey and Jersey.

<sup>4</sup> Includes Faroe Islands.

<sup>5</sup> Includes Aland Islands.

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France <sup>6</sup>	Moldova	United Kingdom <sup>7</sup>
Georgia	Monaco	Uzbekistan
Germany	Montenegro	Vatican City
Gibraltar	Netherlands	

Changes in allegiance or national affiliation of a part of any of the countries listed in this appendix shall not affect the geographic coverage of the definition.

### Single European Payments Area (SEPA)

The Single European Payments Area includes the following countries or territories.

Andorra	Gibraltar	Netherlands
Austria	Greece	Norway
Belgium	Hungary	Poland
Bulgaria	Iceland	Portugal
Channel Islands	Ireland	Romania
Croatia	Isle of Man	San Marino
Cyprus	Italy	Slovakia
Czech Republic	Latvia	Slovenia
Denmark	Liechtenstein	Spain
Estonia	Lithuania	Sweden
Finland	Luxembourg	Switzerland
France	Malta	United Kingdom
Germany	Monaco	Vatican City

### Latin America and the Caribbean Region

The Latin America and the Caribbean Region includes the following countries or territories.

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<sup>6</sup> Includes Mayotte, Guadeloupe, Martinique, French Guiana, St. Martin, and St. Barthélemy.

<sup>7</sup> Includes Falkland Islands and Malvinas.

Anguilla	Curacao	Paraguay
Antigua and Barbuda	Dominica	Peru
Argentina	Dominican Republic	Puerto Rico
Aruba	Ecuador	St. Kitts-Nevis
Bahamas	El Salvador	St. Lucia
Barbados	Grenada	St. Maarten
Belize	Guatemala	St. Vincent and the Grenadines
Bermuda	Guyana	Suriname
BES Islands <sup>8</sup>	Haiti	Trinidad and Tobago
Bolivia	Honduras	Turks and Caicos Islands
Brazil	Jamaica	Uruguay
Cayman Islands	Mexico	Venezuela
Chile	Montserrat	Virgin Islands, British
Colombia	Nicaragua	Virgin Islands, U.S.
Costa Rica	Panama	

## Middle East/Africa Region

The Middle East/Africa Region includes the following countries or territories.

Afghanistan	Gambia	Palestine
Algeria	Ghana	Qatar
Angola	Guinea	Republic of South Sudan
Bahrain	Guinea-Bissau	Rwanda
Benin	Iraq	Sao Tome and Principe
Botswana	Jordan	Saudi Arabia
Bouvet Island	Kenya	Senegal
British Indian Ocean Territory	Kuwait	Seychelles

<sup>8</sup> Bonaire, St. Eustatius and Saba.

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Burkina Faso	Lebanon	Sierra Leone
Burundi	Lesotho	Somalia
Cameroon	Liberia	Somaliland
Cape Verde	Libyan Arab Jamahiriya	South Africa
Central African Republic	Madagascar	Swaziland
Chad	Malawi	Tanzania
Comoros	Mali	Togo
Congo	Mauritania	Tunisia
Côte D'Ivoire	Mauritius	Uganda
Democratic Republic of the Congo	Morocco	United Arab Emirates
Djibouti	Mozambique	Western Sahara
Egypt	Namibia	Yemen
Equatorial Guinea	Niger	Zambia
Eritrea	Nigeria	Zimbabwe
Ethiopia	Oman	
Gabon	Pakistan	

## United States Region

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The United States Region is composed of the United States.

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# Appendix B Compliance Zones

*The following table identifies the noncompliance category that the Corporation has assigned to the Standards described within this manual.*

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## Compliance Zones

The following table identifies the noncompliance category that MasterCard has assigned to the Standards described within this manual. These noncompliance categories are assigned for the purposes of noncompliance assessments under the compliance framework in Rule 2.1.4 of the *MasterCard Rules* manual.

Chapter	Rule Title	Category
1	Connecting to the Interchange System	A
1	Acquirer Host System Requirements	A
1	Authorization Routing—MasterCard POS Transactions	A
1	Authorization Routing—Maestro POS, ATM Terminal, and PIN-based In-Branch Terminal Transactions	A
1	Routing Instructions and System Maintenance	C
1	Chip Transaction Routing	A
1	Domestic Transaction Routing	A
1	ATM Terminal Connection to the Interchange System	A
1	Gateway Processing	A
1	POS Terminal Connection to the Interchange System	A
2	Acquirer Authorization Requirements	A
2	Issuer Authorization Requirements	A
2	Stand-In Processing Service	A
2	Accumulative Transaction Limits	A
2	ATM Transaction Requirements for MasterCard Credit Card Issuers	A
2	Authorization Responses	A
2	Performance Standards	A
2	Preauthorizations	A

Chapter	Rule Title	Category
2	Final Authorizations	A
2	Message Reason Code 4808 Chargeback Protection Period	A
2	Multiple Authorizations	A
2	Full and Partial Reversals	A
2	Reversal for Conversion of Approval to Decline	A
2	Reversal to Cancel Transaction	A
2	Full and Partial Approvals and Account Balance Responses	A
2	Corrections	A
2	Balance Inquiries	B
2	CVC 2 Verification for POS Transactions	A
2	CVC 3 Verification for Maestro Contactless Magnetic Stripe Transactions	A
2	Euro Conversion	C
2	Presentment of Transaction Records	B
2	Retention of Transaction Records	C
2	Transaction Queries and Disputes	B
2	Chargebacks for Reissued Cards	C
2	Correction of Errors	A
3	Merchant Acceptance Procedures	B
3	Cardholder Must Present a Card	B
3	Obtaining an Authorization for a MasterCard POS Transaction	A
3	MasterCard Cardholder Verification—PIN and Signature Requirements	A
3	Obtaining an Authorization for a Maestro POS Transaction	A
3	Maestro Cardholder Verification—PIN and Signature Requirements	A



Chapter	Rule Title	Category
3	MasterCard Manual Cash Disbursement Acceptance Procedures	B
3	ATM Terminal and PIN-based In-Branch Terminal Transactions	A
3	POI Currency Conversion	B
3	Multiple Transactions—MasterCard POS Transactions Only	B
3	Partial Payment—MasterCard POS Transactions Only	B
3	Specific Terms of a Transaction	B
3	Charges for Loss, Theft, or Damage—MasterCard POS Transactions Only	B
3	Providing a Transaction Receipt	B
3	POS Transaction Receipt Requirements	A
3	ATM and PIN-based In-Branch Terminal Transaction Receipt Requirements	A
3	Primary Account Number (PAN) Truncation and Expiration Date Omission	A
3	Returned Products and Canceled Services	B
3	Refund Transactions	B
3	Transaction Records	B
4	Chip Transactions at Hybrid POS Terminals	A
4	Offline Transactions Performed on Board Planes, Trains, and Ships	B
4	No-CVM Magnetic Stripe and Contact Chip Maestro POS Transactions	B
4	MasterCard Contactless Transactions	A
4	Maestro Contactless Transactions	A
4	Contactless-only Acceptance	B
4	Quick Payment Service (QPS) Program—MasterCard POS Transactions Only	B

Chapter	Rule Title	Category
4	Purchase with Cash Back Transactions	A
4	Transactions at Unattended POS Terminals	A
4	Automated Fuel Dispenser Transactions	A
4	PIN-based Debit Transactions	A
4	PIN-less Single Message Transactions	A
4	Merchant-approved Maestro POS Transactions	A
4	MasterCard Manual Cash Disbursement Transactions	A
4	Non-discrimination	A
4	Maximum Cash Disbursement Amounts	B
4	Discount or Service Charges	B
4	MasterCard Acceptance Mark Must Be Displayed	B
4	Encashment of MasterCard Travelers Cheques	B
4	Chained Transactions	A
4	ATM Transaction Branding	A
4	ATM Access Fees	B
4	Merchandise Transactions	A
4	Shared Deposits	A
5	E-commerce Transactions	A
5	Mail Order and Telephone Order (MO/TO) Transactions	A
5	Recurring Payment Transactions	A
5	Installment Billing Transactions	A
5	Use of Automatic Billing Updater	B
6	Payment Transactions	A

Chapter	Rule Title	Category
6	Gaming Payment Transactions	A
6	MoneySend Payment Transactions	A
7	Eligibility	A
7	Requirements	A
7	Function Keys	C
7	Responses	B
7	Transaction Log	A
7	POS Terminal Requirements	A
7	ATM Terminal and PIN-based In-Branch Terminal Requirements	A
7	Hybrid Requirements	A
7	Hybrid POS Terminal Requirements	A
7	Hybrid POS Terminal and Chip-only MPOS Terminal Displays	B
7	Hybrid ATM Terminal and PIN-based In-Branch Terminal Requirements	A
	Appendix C—Transaction Identification Requirements	A
	Appendix D—Cardholder-Activated Terminal (CAT) Requirements	A
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## Appendix C Transaction Identification Requirements

*This appendix contains requirements for transaction identification.*

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## Transaction Date

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The Transaction date appearing in DE 12 (Date and Time, Local Transaction) is specified as follows.

<b>For the following transaction...</b>	<b>The transaction date is the date on which...</b>
Face-to-Face	The products or services are exchanged.
Non-Face-to-Face	The products are shipped or services performed.
Vehicle Rental	The vehicle is returned, or, if applicable, the prepayment date.
Lodging	Checkout occurred, or if applicable, the prepayment date.
No-show	The Cardholder was expected to arrive at the lodging merchant and failed to appear.
Airline/Railway	The airline or railway ticket was issued.
Cruise Line	The transportation documents were issued.
On-board Cruise Line	The passenger disembarks.
Refund	The Merchant grants a credit or price adjustment.
All In-Flight Commerce Transactions except those involving mailed purchases	The flight departs from the originating city. The Transaction date for in-flight commerce mailed purchases is the shipment date unless otherwise disclosed to the Cardholder.
MasterCard Contactless Transit Aggregated	One or more contactless taps performed with one MasterCard Account and occurring at one transit Merchant are aggregated in a First Presentment/1240 message.
Maestro Contactless Transit Aggregated	A Financial Transaction Request/0200 (or in the Europe Region, an Authorization Request/0100) message is sent for an estimated or maximum amount in connection with the use of one Maestro Account at one transit Merchant.

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## Contactless Transactions

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The Acquirer must identify each Contactless Transaction with the following values. A Transaction must not be identified as a Contactless Transaction if the Card information is contact chip-read, magnetic stripe-read, or key-entered. In addition, a Transaction must not be identified as a Maestro Contactless Transaction if the Card information is contactless magnetic stripe-read, except in Brazil with respect to Maestro Contactless Magnetic Stripe Transactions (referred to herein as “Maestro Magstripe”).

## Contactless Transaction Values for Authorization Request/0100 or Financial Transaction Request/0200 Messages

Data Element	Subfield	Value
22 (Point of Service [POS] Entry Mode)	1 (POS Terminal PAN Entry Mode)	<p>One of the following:</p> <ul style="list-style-type: none"> <li>• <b>07</b> (PAN auto-entry via contactless M/Chip)</li> <li>• <b>08</b> (PAN auto-entry via contactless M/Chip, <i>PayPass</i> Mapping Service applied)</li> <li>• <b>91</b> (PAN auto-entry via contactless magnetic stripe—the full track data had been read from the data on the card and transmitted within the authorization request in DE 35 [Track 2 Data] or DE 45 [Track 1 Data] without alteration or truncation)—<b>MasterCard, Maestro Magstripe only</b></li> <li>• <b>92</b> (Contactless input, <i>PayPass</i> Mapping Service applied when acquirer DE 22, subfield 1=91)—<b>MasterCard, Maestro Magstripe only</b></li> </ul> <p>The Acquirer sends one of the following:</p> <ul style="list-style-type: none"> <li>• <b>07</b> (PAN auto-entry via contactless M/Chip)—<b>EMV Mode</b></li> <li>• <b>91</b> (PAN auto-entry via contactless magnetic stripe—the full track data had been read from the data on the card and transmitted within the authorization request in DE 35 [Track 2 Data] or DE 45 [Track 1 Data] without alteration or truncation)—<b>Magnetic Stripe Mode</b></li> </ul> <p>The Issuer receives either one of the above, or one of the following:</p> <ul style="list-style-type: none"> <li>• <b>08</b> (PAN auto-entry via contactless M/Chip, Contactless Mapping Service applied)—<b>EMV Mode</b></li> <li>• <b>82</b> (PAN Auto Entry via Server [issuer, acquirer, or third party vendor system])—<b>MasterCard Digital Enablement Service token mapping service applied</b></li> <li>• <b>92</b> (Contactless input, Contactless Mapping Service applied when acquirer DE 22, subfield 1=91)—<b>Magnetic Stripe Mode</b></li> </ul>

Data Element	Subfield	Value
61 (Point-of-Service [POS] Data)	11 (POS Card Data Terminal Input Capabilities)	One of the following: <ul style="list-style-type: none"><li>• <b>3</b> (Contactless M/Chip)</li><li>• <b>4</b> (Contactless Magnetic Stripe)</li></ul>

### Contactless Transaction Values for First Presentment/1240 Messages

Data Element	Subfield	Value
22 (Point of Service Data Code)	1 (Terminal Data: Card Data Capability)	One of the following: <ul style="list-style-type: none"><li>• <b>A</b> (PAN auto-entry via contactless magnetic stripe)</li><li>• <b>M</b> (PAN auto-entry via contactless M/Chip)</li></ul>
22 (Point-of-Service Data Code)	7 (Card Data: Input Mode)	One of the following: <ul style="list-style-type: none"><li>• <b>A</b> (PAN auto-entry via contactless magnetic stripe)</li><li>• <b>M</b> (PAN auto-entry via contactless M/Chip)</li><li>• <b>N</b> (Contactless input, Contactless Mapping Service applied [This value is visible only to issuer; acquirers use value A or M.])</li></ul>

### Contactless Transit Aggregated Transactions

The Acquirer must identify each Contactless transit aggregated Transaction with the following values.

### Contactless Transit Aggregated Transaction Values for Authorization Request/0100 or Financial Transaction Request/0200 Messages

Data Element	Subfield	Value
18 (Merchant Type)		One of the following: <ul style="list-style-type: none"><li>• <b>4111</b> (Transportation-Suburban and Local Commuter Passenger, including Ferries)</li><li>• <b>4131</b> (Bus Lines)</li><li>• <b>4784</b> (Bridge and Road Fees, Tolls)</li></ul>

Data Element	Subfield	Value
22 (Point-of-Service [POS] Entry Mode)	1 (POS Terminal PAN Entry Mode)	Any of the values shown in “Contactless Transactions Values for Authorization Request/0100 or Financial Transaction Request/0200 Messages.” Please note that additionally, the value of 82 appears in Contactless debt repayment Transactions.
48 (Additional Data—Private Use)	1 (Transaction Category Code [TCC])	<b>X</b> (Airline and Other Transportation Services)
48 (Additional Data—Private Use), subelement 64 (Transit Program)	1 (Transit Transaction Type)	One of the following: <ul style="list-style-type: none"> <li>• <b>03</b> (MasterCard Contactless Transit Aggregated)</li> <li>• <b>06</b> (Maestro Contactless Transit Aggregated)</li> </ul>
61 (Point-of-Service [POS] Data)	1 (POS Terminal Attendance)	<b>1</b> (Unattended terminal)
	3 (POS Terminal Location)	<b>0</b> (On premises of merchant facility)
	4 (POS Cardholder Presence)	<b>0</b> (Cardholder present)
	5 (POS Card Presence)	<b>0</b> (Card present)
	6 (POS Card Capture Capabilities)	<b>0</b> (Terminal/Operator has no card capture capability)
	7 (POS Transaction Status)	One of the following: <ul style="list-style-type: none"> <li>• <b>0</b> (Normal request)</li> <li>• <b>4</b> (Pre-authorized request) Note: This value is only for Europe Region-acquired Transactions.</li> </ul>
	10 (Cardholder-Activated Terminal Level)	<b>0</b> (Not a CAT transaction)
	11 (POS Card Data Terminal Input Capability)	One of the following: <ul style="list-style-type: none"> <li>• <b>3</b> (Contactless M/Chip)</li> <li>• <b>4</b> (Contactless Magnetic Stripe)</li> </ul>



### Contactless Transit Aggregated Transaction Values for First Presentment/1240 Messages

Data Element/PDS	Subfield	Value
22 (Point of Service Data Code)	1 (Terminal Data: Card Data Capability)	One of the following: <ul style="list-style-type: none"> <li>• <b>A</b> (PAN auto-entry via contactless magnetic stripe)</li> <li>• <b>M</b> (PAN auto-entry via contactless M/Chip)</li> </ul>
	3 (Terminal Data: Card Capture Capability)	<b>0</b> (No capture capability)
	4 (Terminal Operating Environment)	<b>2</b> (On merchant premises; unattended terminal)
	5 (Card Present Data)	<b>0</b> (Cardholder present)
	6 (Card Present Data)	<b>1</b> (Card present)
	7 (Card Data: Input Mode)	One of the following: <ul style="list-style-type: none"> <li>• <b>A</b> (PAN auto-entry via contactless magnetic stripe)</li> <li>• <b>M</b> (PAN auto-entry via contactless M/Chip)</li> <li>• <b>N</b> (Contactless input, <i>PayPass</i> Mapping Service applied [This value is visible only to issuer; acquirers use value A or M.])</li> </ul>
26 (Merchant Business Code [MCC])		One of the following: <ul style="list-style-type: none"> <li>• <b>4111</b> (Transportation-Suburban and Local Commuter Passenger, including Ferries)</li> <li>• <b>4131</b> (Bus Lines)</li> <li>• <b>4784</b> (Bridge and Road Fees, Tolls)</li> </ul>
PDS 0210 (Transit Transaction Type)	1 (Transit Transaction Type)	One of the following: <ul style="list-style-type: none"> <li>• <b>03</b> (MasterCard Contactless Transit Aggregated)</li> <li>• <b>06</b> (Maestro Contactless Transit Aggregated)</li> </ul>

### Contactless-only Transactions

The Acquirer must identify each Contactless-only Transaction with the following values.

### Contactless-Only Transaction Values for Authorization Request/0100 or Financial Transaction Request/0200 Messages

Data Element	Subfield	Value
18 (Merchant Type)		An MCC approved to be Contactless-only as published from time to time in the <i>Global Operations Bulletin</i> .
22 (Point-of-Service [POS] Entry Mode)	1 (POS Terminal PAN Entry Mode)	Any of the values shown in "Contactless Transactions Values for Authorization Request/0100 or Financial Transaction Request/0200 Messages."
61 (Point-of-Service [POS] Data)	1 (POS Terminal Attendance)	<b>1</b> (Unattended terminal)
	3 (POS Terminal Location)	One of the following: <ul style="list-style-type: none"> <li>• <b>0</b> (On premises of merchant facility)</li> <li>• <b>1</b> (Off premises of merchant facility [merchant terminal—remote location])</li> </ul>
	4 (POS Cardholder Presence)	<b>0</b> (Cardholder present)
	5 (POS Card Presence)	<b>0</b> (Card present)
	7 (POS Transaction Status)	<b>0</b> (Normal request)
	10 (Cardholder-Activated Terminal Level)	One of the following: <ul style="list-style-type: none"> <li>• <b>1</b> (Authorized Level 1 CAT: Automated dispensing machine with PIN)</li> <li>• <b>2</b> (Authorized Level 2 CAT: Self-service terminal)</li> <li>• <b>3</b> (Authorized Level 3 CAT: Limited-amount terminal)</li> </ul>
	11 (POS Card Data Terminal Input Capability)	One of the following: <ul style="list-style-type: none"> <li>• <b>3</b> (Contactless M/Chip)</li> <li>• <b>4</b> (Contactless Magnetic Stripe)</li> </ul>

### Contactless-Only Transaction Values for First Presentment/1240 Messages

Data Element	Subfield	Value
22 (Point of Service Data Code)	1 (Terminal Data: Card Data Capability)	One of the following: <ul style="list-style-type: none"><li>• <b>A</b> (PAN auto-entry via contactless magnetic stripe)</li><li>• <b>M</b> (PAN auto-entry via contactless M/Chip)</li></ul>
	4 (Terminal Operating Environment)	One of the following: <ul style="list-style-type: none"><li>• <b>2</b> (On merchant premises; unattended terminal)</li><li>• <b>4</b> (Off merchant premises; unattended)</li><li>• <b>6</b> (Off cardholder premises; unattended)</li></ul>
	5 (Card Present Data)	<b>0</b> (Cardholder present)
	6 (Card Present Data)	<b>1</b> (Card present)
	7 (Card Data: Input Mode)	One of the following: <ul style="list-style-type: none"><li>• <b>A</b> (PAN auto-entry via contactless magnetic stripe)</li><li>• <b>M</b> (PAN auto-entry via contactless M/Chip)</li><li>• <b>N</b> (Contactless input, <i>PayPass</i> Mapping Service applied [This value is visible only to issuer; acquirers use value A or M.])</li></ul>
26 (Merchant Business Code [MCC])		An MCC approved to be contactless-only as published from time to time in the <i>Global Operations Bulletin</i> .

### Digital Secure Remote Payment Transactions

A Digital Secure Remote Payment Transaction is an electronic commerce Transaction that contains cryptographic information, in the form of either full EMV chip data passed in DE 55 or a cryptographic value derived from an M/Chip cryptogram passed in the Universal Cardholder Authentication Field (UCAF). Subsequent to the initial Digital Secure Remote Payment Transaction, a related Transaction for a partial shipment may occur, in which case cryptographic information is not passed. When a Digital Secure Remote Payment Transaction contains tokenized Account information, the MasterCard Digital Enablement Service performs Token mapping and cryptographic validation services.

### Quick Payment Service Transactions

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The Acquirer must identify each Quick Payment Service (QPS) Transaction with the following values.

### QPS Transactions Values for First Presentment/1240 Messages

Data Element	Subfield	Value
22 (Point of Service Data Code)	1 (Terminal Data: Card Data Capability)	One of the following: <ul style="list-style-type: none"> <li>• <b>2</b> (Magnetic stripe reader capability)</li> <li>• <b>5</b> (Integrated circuit card [ICC] capability)</li> <li>• <b>A</b> (PAN auto-entry via contactless magnetic stripe)</li> <li>• <b>B</b> (Magnetic strip reader and key entry capability)</li> <li>• <b>C</b> (Magnetic stripe reader, ICC, and key entry capability)</li> <li>• <b>D</b> (Magnetic stripe reader and ICC capability)</li> <li>• <b>E</b> (ICC and key entry capability)</li> <li>• <b>M</b> (PAN auto-entry via contactless M/Chip)</li> </ul>
	4 (Terminal Operating Environment)	<ul style="list-style-type: none"> <li>• <b>1</b> (On merchant premises; attended terminal)</li> <li>• <b>3</b> (Off merchant premises; attended terminal)</li> </ul>
	5 (Cardholder Present Data)	<b>0</b> (Cardholder present)
	6 (Card Present Data)	<b>1</b> (Card present)
	7 (Card Data: Input Mode)	One of the following: <ul style="list-style-type: none"> <li>• <b>2</b> (Magnetic stripe reader input)</li> <li>• <b>A</b> (PAN auto-entry via contactless magnetic stripe)</li> <li>• <b>B</b> (Magnetic strip reader input; track data captured and passed unaltered)</li> <li>• <b>C</b> (Online Chip)</li> <li>• <b>F</b> (Offline Chip)</li> <li>• <b>M</b> (PAN auto-entry via contactless M/Chip)</li> <li>• <b>N</b> (Contactless input, <i>PayPass</i> Mapping Service applied) (This value is visible only to issuer; acquirers use value A or M.)</li> </ul>
26 (Merchant Business Code [MCC])		An eligible Quick Payment Service (QPS) MCC.
PDS 0044 (Program Participation Indicator)	2 (QPS/ <i>PayPass</i> Chargeback Eligibility Indicator)	<b>I</b> (Ineligible for chargeback)—Value added by MasterCard.

## Payment Transactions

The Acquirer must identify each Payment Transaction, MoneySend Payment Transaction, and Gaming Payment Transaction, as applicable, with the following values.

### Payment Transaction Values for Authorization Request/0100 or Financial Transaction Request/0200 Messages

Data Element	Subfield	Value
3 (Processing Code)	1 (Cardholder Transaction Type)	28
18 (Merchant Type)		One of the following: <ul style="list-style-type: none"><li>• <b>6532</b>—for a Payment Transaction processed by a Customer or its authorized agent.</li><li>• <b>6533</b>—for a Payment Transaction processed by a Merchant.</li><li>• <b>6536</b>—for Intracountry MoneySend Payment Transactions</li><li>• <b>6537</b>—for Intercountry MoneySend Payment Transactions</li><li>• <b>7995</b>—for Gaming Payment Transactions (Europe Region only)</li><li>• A value specified for Payment Transactions in the applicable Customer-to-Customer intracountry, or intercountry business service arrangement, if one is in place.</li></ul>
48 (Additional Data—Private Use)	TCC (Transaction Category Code)	P
48 (Additional Data—Private Use)	77 (Payment Transaction Type Indicator)	Payment Transaction program type

### Payment Transaction Values for First Presentment/1240 Messages

Data Element	Subfield	Value
3 (Processing Code)	1 (Cardholder Transaction Type)	28

Data Element	Subfield	Value
26 (Merchant Business Code)		As described for DE 18 (Merchant Type) in the Authorization Request/0100 message
48 (Additional Data—Private Use)	PDS 0043 (Program Registration ID)	Payment Transaction program type

The value used for the Payment Transaction program type must be that which best describes the purpose of the Payment Transaction.

The Acquirer also should provide either the customer service phone number in PDS 0170 (Merchant Inquiry Information), subfield 1 (Customer Service Phone Number) or the URL address in PDS 0175 (Merchant URL) in the clearing message.

A Payment Transaction Detail addendum may also be submitted with a Payment Transaction. This addendum provides the Issuer and Cardholder with enhanced data about the Merchant, the recipient of funds, and other Transaction details.

## Electronic Commerce Transactions

The Acquirer must identify each electronic commerce Transaction with the following values.

### Electronic Commerce Transaction Values for Authorization Request/0100 or Financial Transaction Request/0200 Messages

Data Element	Subfield	Value
22 (Point-of-Service [POS] Entry Mode)	1 (POS Terminal PAN Entry Mode)	<b>81</b> (PAN entry via e-commerce, including chip)
61 ((Point-of-Service [POS] Data)	4 (POS Cardholder Presence)	One of the following: <ul style="list-style-type: none"> <li><b>4</b> (Standing order/recurring transactions) [If the Transaction is the first payment in a recurring payment arrangement]</li> <li><b>5</b> (Electronic order)</li> </ul>
61 (Point-of-Service [POS] Data)	10 (CAT Level)	<b>6</b> (Electronic commerce)

### Electronic Commerce Transaction Values for First Presentment/1240 Messages

Data Element	Subfield	Value
22 (Point of Service Data Code)	5 (Cardholder Present Data)	One of the following: <ul style="list-style-type: none"><li>• <b>4</b> (Cardholder not present (standing order/ recurring transactions) [If the Transaction is the first payment in a recurring payment arrangement])</li><li>• <b>5</b> (Cardholder not present [electronic order])</li></ul>
22 (Point of Service Data Code)	7 (Card Data: Input Mode)	<b>S</b> (Electronic commerce)

## Digital Secure Remote Payment Transactions

A Digital Secure Remote Payment Transaction is an electronic commerce Transaction that contains cryptographic information, in the form of either full EMV chip data passed in DE 55 or a cryptographic value derived from an M/Chip cryptogram passed in the Universal Cardholder Authentication Field (UCAF). Subsequent to the initial Digital Secure Remote Payment Transaction, a related Transaction for a partial shipment may occur, in which case cryptographic information is not passed. When a Digital Secure Remote Payment Transaction contains tokenized account information, the MasterCard Digital Enablement Service performs token mapping and cryptographic validation services.

### Digital Secure Remote Payment Transactions Containing Chip Data

#### Authorization Request/0100 and Financial Transaction Request/0200 Messages

Data Element	Subfield/Subelement	Value
22 (Point-of-Service [POS] Entry Mode)	1 (POS Terminal PAN Entry Mode)	<b>09</b> (PAN entry via electronic commerce, including remote chip)
48 (Additional Data—Private Use)	33 (PAN Mapping File Information)	Present when the MasterCard Digital Enablement Service performs token mapping.

71 (On-behalf Services)	<p>Present when the MasterCard Digital Enablement Service performs token mapping:</p> <p>Subfield 1 = <b>50</b> (MasterCard Digital Enablement Service PAN Mapping); and</p> <p>Subfield 2 = <b>C</b> (Conversion of Device Account Number to Funding Account Number was completed)</p>
71 (On-behalf Services)	<p>Present when the MasterCard Digital Enablement Service performs cryptographic validation:</p> <ul style="list-style-type: none"> <li>• Subfield 1 = <b>51</b> (MasterCard Digital Enablement Service Chip Pre-Validation); and</li> <li>• Subfield 2 = <b>V</b> (Valid)</li> </ul>
55 (Integrated Circuit Card [ICC] System-Related Data)	<p>Contains EMV chip data. [Not received by Issuer when the MasterCard Digital Enablement Service performs cryptographic validation.]</p>
61 (Point-of-Service [POS] Data)	<p>3 (POS Terminal Location)</p> <p>One of the following:</p> <ul style="list-style-type: none"> <li>• <b>2</b> (off premises of card acceptor facility [cardholder terminal including home PC, mobile phone, PDA]); or</li> <li>• <b>4</b> (On premises of card acceptor facility [cardholder terminal including home PC, mobile phone, PDA])</li> </ul>
4 (POS Cardholder Presence)	<p><b>5</b> (Electronic order [home PC, Internet, mobile phone, PDA])</p>
10 (Cardholder-Activated Terminal Level)	<p><b>6</b> (Authorized Level 6 CAT: Electronic commerce)</p>



### First Presentment/1240 Messages

Data Element	Subfield/PDS	Value
22 (Point-of-Service [POS] Data Code)	4 (Terminal Operating Environment)	One of the following: <ul style="list-style-type: none"> <li>• <b>2</b> (On card acceptor premises; unattended terminal); or</li> <li>• <b>4</b> (Off card acceptor premises; unattended)</li> </ul>
	5 (Cardholder Present Data)	<b>5</b> (Cardholder not present [electronic order (PC, Internet, mobile phone, or PDA)])
	7 (Card Data: Input Mode)	One of the following: <ul style="list-style-type: none"> <li>• <b>R</b> (PAN Entry via electronic commerce, including remote chip); or</li> <li>• <b>O</b> (PAN entry via electronic commerce, including remote chip)—Received by Issuer when the MasterCard Digital Enablement Service performs token mapping</li> </ul>
48 (Additional Data)	PDS 0023 (Terminal Type)	<b>CT 6</b> (CAT level 6 [electronic commerce transaction])
55 (Integrated Circuit Card [ICC] System-Related Data)		Contains EMV chip data. [Not received by Issuer when the MasterCard Digital Enablement Service performs cryptographic validation.]

### Digital Secure Remote Payment Transactions Containing UCAF Data

#### Authorization Request/0100 and Financial Transaction Request/0200 Messages

Data Element	Subfield/ Subelement	Value
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22 (Point-of-Service [POS] Entry Mode)	1 (POS Terminal PAN Entry Mode)	<p>One of the following:</p> <ul style="list-style-type: none"> <li>• <b>81</b> (PAN entry via electronic commerce, including chip); or</li> <li>• <b>09</b> (PAN entry via electronic commerce, including remote chip)—Received by Issuer when the MasterCard Digital Enablement Service performs token mapping service</li> </ul>
48 (Additional Data—Private Use)	33 (PAN Mapping File Information)	Present when the MasterCard Digital Enablement Service performs token mapping.
	42 (Electronic Commerce Indicators), subfield 1, position 3 (UCAF Collection Indicator)	<p>All of the following (full UCAF authentication occurs):</p> <p>Position 1 = <b>2</b></p> <p>Position 2 = <b>1</b></p> <p>Position 3 = <b>2</b></p> <p>[Not received by Issuer when the MasterCard Digital Enablement Service performs cryptographic validation.]</p>
	43 (Universal Cardholder Authentication Field)	Contains UCAF data. [Not received by Issuer when the MasterCard Digital Enablement Service performs cryptographic validation.]
	71 (On-behalf Services)	<p>Present when the MasterCard Digital Enablement Service performs token mapping:</p> <p>Subfield 1 = <b>50</b> (MasterCard Digital Enablement Service PAN Mapping); and</p> <p>Subfield 2 = <b>C</b> (Conversion of Device Account Number to Funding Account Number was completed)</p>

	71 (On-behalf Services)	Present when the MasterCard Digital Enablement Service performs cryptographic validation:  Subfield 1 = <b>51</b> (MasterCard Digital Enablement Service Chip Pre-Validation); and  Subfield 2 = <b>V</b> (Valid)
61 (Point-of-Service [POS] Data)	3 (POS Terminal Location)	One of the following: <ul style="list-style-type: none"> <li>• <b>2</b> (off premises of card acceptor facility [cardholder terminal including home PC, mobile phone, PDA]); or</li> <li>• <b>4</b> (On premises of card acceptor facility [cardholder terminal including home PC, mobile phone, PDA])</li> </ul>
	4 (POS Cardholder Presence)	<b>5</b> (Electronic order [home PC, Internet, mobile phone, PDA])
	10 (Cardholder-Activated Terminal Level)	<b>6</b> (Authorized Level 6 CAT: Electronic commerce)

### First Presentment/1240 Messages

Data Element	Subfield/PDS	Value
22 (Point-of-Service [POS] Data Code)	4 (Terminal Operating Environment)	One of the following: <ul style="list-style-type: none"> <li>• <b>2</b> (On card acceptor premises; unattended terminal); or</li> <li>• <b>4</b> (Off card acceptor premises; unattended)</li> </ul>
	5 (Cardholder Present Data)	<b>5</b> (Cardholder not present [electronic order (PC, Internet, mobile phone, or PDA)])

	7 (Card Data: Input Mode)	One of the following: <ul style="list-style-type: none"> <li>• <b>S</b> (Electronic commerce); or</li> <li>• <b>O</b> (PAN entry via electronic commerce, including remote chip)—Received by Issuer when the MasterCard Digital Enablement Service performs token mapping</li> </ul>
48 (Additional Data)	PDS 0023 (Terminal Type)	<b>CT 6</b> (CAT level 6 [electronic commerce transaction])
	PDS 0052 (Electronic Commerce Security Level Indicator)	All of the following (full UCAF authentication occurs): <p>Position 1 = <b>2</b></p> <p>Position 2 = <b>1</b></p> <p>Position 3 = <b>2</b></p>

## Partial Shipments Following Digital Secure Remote Payment Transactions

### Authorization Request/0100 and Financial Transaction Request/0200 Messages

Data Element	Subfield/ Subelement	Value
22 (Point-of-Service [POS] Entry Mode)	1 (POS Terminal PAN Entry Mode)	One of the following: <ul style="list-style-type: none"> <li>• <b>81</b> (PAN entry via electronic commerce, including chip); or</li> <li>• <b>09</b> (PAN entry via electronic commerce, including remote chip)—Received by Issuer when the MasterCard Digital Enablement Service performs token mapping</li> </ul>
48 (Additional Data—Private Use)	33 (PAN Mapping File Information)	Present when the MasterCard Digital Enablement Service performs token mapping.

42 (Electronic Commerce Indicators)	<p>All of the following (no UCAF authentication occurs):</p> <p>Position 1 = <b>2</b></p> <p>Position 2 = <b>1</b></p> <p>Position 3 = <b>0</b></p> <p>[Not received by Issuer when the MasterCard Digital Enablement Service performs token mapping.]</p>
43 (Universal Cardholder Authentication Field)	<p>PARTIAL SHIPMENT</p> <p>[Not received by Issuer when the MasterCard Digital Enablement Service performs token mapping.]</p>
71 (On-behalf Services)	<p>Present when the MasterCard Digital Enablement Service performs token mapping:</p> <p>Subfield 1 = <b>50</b> (the MasterCard Digital Enablement Service PAN Mapping); and</p> <p>Subfield 2 = <b>C</b> (Conversion of Device Account Number to Funding Account Number was completed)</p> <p><b>Note:</b> Value 51 (MasterCard Digital Enablement Service Chip Pre-Validation) does not appear in a partial shipment.</p>

### First Presentment/1240 Messages

Data Element	Subfield/PDS	Value
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22 (Point-of-Service [POS] Data Code)	4 (Terminal Operating Environment)	One of the following: <ul style="list-style-type: none"> <li>• <b>2</b> (On card acceptor premises; unattended terminal); or</li> <li>• <b>4</b> (Off card acceptor premises; unattended)</li> </ul>
	5 (Cardholder Present Data)	<b>5</b> (Cardholder not present [electronic order (PC, Internet, mobile phone, or PDA)])
	7 (Card Data: Input Mode)	<b>5</b> (Electronic commerce)
48 (Additional Data)	PDS 0023 (Terminal Type)	<b>CT 6</b> (CAT level 6 [electronic commerce transaction])
	PDS 0052 (Electronic Commerce Security Level Indicator)	All of the following (no UCAF authentication occurs): <p>Position 1 = <b>2</b></p> <p>Position 2 = <b>1</b></p> <p>Position 3 = <b>0</b></p>

## MasterCard Mobile Remote Payment Transactions

Refer to “MMRP Transaction Identification Requirements” in Chapter 6 of the *MasterCard Mobile Remote Payment Program Guide* for information about how to identify an MMRP Transaction.

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## Appendix D Cardholder-Activated Terminal (CAT) Transactions

*This appendix provides requirements for the use of CAT level indicators and the processing of MasterCard POS Transactions at Cardholder-Activated Terminals (CATs).*

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## CAT Transactions

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The requirements in these Cardholder-Activated Terminal (CAT) Rules apply to MasterCard POS Transactions only, with the following exceptions:

- CAT 6 must be used to identify all electronic commerce Transactions; and
- CAT 9 must be used to identify all Transactions occurring at a Mobile POS (MPOS) Terminal, whether attended or unattended.

An Acquirer may, at its option, use CAT 1 to identify any Transaction at an unattended POI Terminal where PIN is required, such as an ATM Terminal.

A CAT Transaction must be identified with the appropriate CAT level indicator value in authorization and clearing messages as follows:

- CAT Level 1: Automated Dispensing Machines (CAT 1)
- CAT Level 2: Self-Service Terminals (CAT 2)
- CAT Level 3: Limited Amount Terminals (CAT 3)
- CAT Level 4: In-Flight Commerce Terminals (CAT 4)
- CAT Level 6: Electronic Commerce Transactions (CAT 6)
- CAT Level 7: Transponder Transactions (CAT 7)
- CAT Level 9: Mobile POS (MPOS) Acceptance Device Transactions (CAT 9)

In Authorization Request/0100 and Authorization Request Response/0110 messages, the CAT level indicator is located in DE 61 (Point-of-Service Data), subfield 10 (Cardholder-Activated Terminal Level). In First Presentment/1240, Chargeback/1442, Second Presentment/1240, and Arbitration Chargeback/1442 messages, the CAT level indicator is located in PDS 0023 (Terminal Type). For additional requirements, see the *Customer Interface Specification* and the *IPM Clearing Formats* manuals.

Messages used at CATs must communicate to the Cardholder, at a minimum, the following:

- Invalid Transaction;
- Unable to Route;
- Invalid PIN—re-enter (does not apply to CAT 2, CAT 4, CAT 6, or CAT 7); and
- Capture Card (if Card retention is available).

The First Presentment/1240 message of a CAT Transaction must contain one of the following values in DE 22 (Point of Service Data Code), subfield 7 (Card Data: Input Mode):

- **A**—(PAN auto-entry via contactless magnetic stripe)
- **B**—(Magnetic stripe reader input, with track data captured and passed unaltered; does not apply to CAT 3)
- **C**—(Online Chip)
- **F**—(Offline Chip)
- **M**—(PAN auto-entry via contactless M/Chip)
- **N**—(Contactless input, *PayPass* Mapping Service applied [This value is visible only to Issuer; Acquirers use value A or M])



- **5**—(Electronic commerce; applies to CAT 6 only)
- **2**—(Magnetic stripe reader input; applies to CAT 3 only)

## CAT Level Requirements

The following requirements apply to the specific CAT levels indicated.

### Dual Capability for CAT 1 and CAT 2

A CAT device may have dual capability as a CAT 1 and a CAT 2. Dual capability allows a CAT device to identify each Transaction as CAT 1 or CAT 2, depending on the presence of a PIN (online or offline).

IF...	THEN...
A Cardholder is prompted for a PIN and enters a PIN (online or offline)	The Acquirer must identify the Transaction with the CAT Level 1 indicator.
A Cardholder is not prompted for a PIN and does not enter a PIN (online or offline)	The Acquirer must identify the Transaction with the CAT Level 2 indicator.

A CAT 1 device that supports offline PIN, but not online PIN, must have dual capability as a CAT 2 device and comply with all CAT 2 requirements (including support of “No CVM”).

### CAT Level 1: Automated Dispensing Machines (CAT 1)

The following CVM requirements apply to CAT 1 devices:

1. CAT 1 devices must accept PIN as the CVM.
2. CAT 1 devices must support online PIN and may also support offline PIN.
  - a. Online PIN is the mandatory CVM for magnetic stripe Transactions.
  - b. PIN (online or offline) is the mandatory CVM for chip Transactions.
3. CAT 1 devices must not support only offline PIN as CVM.
4. CAT 1 devices must not perform the CVM fallback.
5. CAT 1 devices must not accept signature or “No CVM” as the CVM.
6. The Standards relating to PIN and key management security apply to CAT 1 devices.

The following authorization requirements apply to CAT 1 devices:

1. All magnetic stripe Transactions, regardless of amount, must be authorized online by the Issuer.
2. A Chip Transaction must be authorized either online by the Issuer or for a Transaction less than or equal to USD 200 (EUR 200 in the Europe Region), a Chip Transaction may be authorized offline by the EMV chip. Floor limit Standards are provided in Chapter 5 of the *Quick Reference Booklet*.

3. Limit-1 processing does not apply.
4. The MIP X-Code authorization response must be a decline. The Issuer is liable for Transactions that are approved under acquirer MIP X-Code, up to the MIP X-Code limits specified by the Corporation.

The following additionally apply to CAT 1 devices:

1. There is no maximum amount limit.
2. A CAT 1 Hybrid POS Terminal must be capable of performing fallback procedures from chip to magnetic stripe, unless it is prohibited by a region.
3. CAT 1 devices may support Address Verification Service (AVS) and CVC 2 validation.
4. Chargeback rights apply to Transactions at CAT 1 devices under message reason code 4808, and do not apply with respect to message reason codes 4837 and 4863.
5. Card retention at CAT 1 devices is not required; however, if the capability is available, the Merchant may do so only at the Issuer's specific direction and in accordance with the procedures set forth in Chapter 5, "Card Recovery and Return Standards," of the *Security Rules and Procedures* manual.

## **CAT Level 2: Self-Service Terminal (CAT 2)**

The following CVM requirements apply to CAT 2 devices:

1. CAT 2 devices must accept "No CVM" as the CVM.
2. CAT 2 devices must not accept signature or PIN (online or offline) as the CVM.

The following authorization requirements apply to CAT 2 devices:

1. All magnetic stripe Transactions, regardless of amount, must be authorized online by the issuer on a zero floor limit basis.
2. A Chip Transaction must be authorized either online by the Issuer or for a Transaction less than or equal to USD 200 (EUR 200 in the Europe Region), a Chip Transaction may be authorized offline by the EMV chip. Floor limit Standards are provided in Chapter 5 of the *Quick Reference Booklet*.
3. Limit-1 processing does not apply.
4. The issuer is liable for Transactions that are approved under acquirer MIP X-Code, up to the MIP X-Code limits specified by the Corporation.

The following additionally apply to CAT 2 devices:

1. There is no maximum amount limit.
2. A CAT 2 Hybrid POS Terminal must be capable of performing fallback procedures from chip to magnetic stripe, unless it is prohibited by a region.
3. CAT 2 devices may support AVS and CVC 2 validation.
4. Chargeback rights apply to Transactions at CAT 2 devices under message reason codes 4808, 4837, and 4840 and do not apply with respect to message reason codes 4863 and 4871.

5. Card retention at CAT 2 devices is not required; however, if the capability is available, the Merchant may do so only at the Issuer's specific direction and in accordance with the procedures set forth in Chapter 5 of the *Security Rules and Procedures* manual.

### **CAT Level 3: Limited Amount Terminals (CAT 3)**

The following CVM requirements apply to CAT 3 devices:

1. CAT 3 devices must accept "No CVM" as the CVM.
2. CAT 3 devices may accept offline PIN as the CVM for chip Transactions, in accordance with the security requirements for PIN and key management.
3. CAT 3 devices must not accept signature as the CVM.
4. Use of CAT 3 devices is restricted to the following MCCs:
  - 4784—Bridges and Road Fees, Tolls
  - 7523—Automobile Parking Lots and Garages
  - 7542—Car Washes
  - 5499—Miscellaneous Food Stores—Convenience Stores, Markets, Specialty Stores (solely for Contactless-only Transactions)

The following authorization requirements apply to CAT 3 devices:

1. The CAT 3 device must not have online capability. Chip Transactions may be authorized offline by the EMV chip.
2. The CAT 3 device must check the Account number against the Electronic Warning Bulletin when the device has such capability.
3. Limit-1 and X-code processing does not apply.

The following maximum Transaction amount requirements apply to CAT 3 devices:

1. At Contactless-only CAT 3 devices located in:
  - a. Austria, Belgium, Germany, Italy, the Netherlands, Slovenia, and Spain, the maximum Transaction amount is EUR 25
  - b. Poland, the maximum Transaction amount is PLN 50
  - c. Russian Federation, the maximum Transaction amount is RUB 1,000
  - d. Switzerland, the maximum Transaction amount is CHF 40
  - e. Turkey, the maximum Transaction amount is TRY 35
  - f. the United Kingdom, the maximum Transaction amount is GBP 15
2. For intra-European CAT 3 Transactions, the maximum Transaction amount is EUR 50 for magnetic stripe and chip Transactions.
3. For Hong Kong domestic Transactions occurring at CAT 3 devices identified with MCC 7523 (Automobile Parking Lots and Garages), the maximum Transaction amount is HKD 500.
4. For all other CAT 3 devices, the maximum Transaction amount is USD 40, or its local currency equivalent, for magnetic stripe and chip Transactions.

5. Effective 16 October 2017, the maximum Transaction amount for a magnetic stripe Transaction is zero. Any magnetic stripe Transaction conducted at a CAT 3 device on or after that date is subject to chargeback under message reason code 4808.

The following additionally apply to CAT 3 devices:

1. A hybrid CAT 3 device that also is an a Hybrid POS Terminal is prohibited from performing fallback procedures from chip to magnetic stripe.
2. Chargeback rights apply to Transactions at CAT 3 devices under message reason code 4808 and do not apply with respect to message reason codes 4837, 4863, and 4871.
3. There is no card retention requirement for CAT 3 devices.

### **CAT Level 4: In-Flight Commerce (IFC) Terminals (CAT 4)**

The following CVM requirements apply to CAT 4 devices:

1. CAT 4 devices must accept "No CVM" as the CVM.
2. CAT 4 devices must not accept signature or PIN (online or offline) as the CVM.

The following authorization requirements apply to CAT 4 devices:

1. Prior to authorization, the Merchant must conduct a Mod-10 check digit routine to verify Card authenticity and must confirm that the Account number is within a valid MasterCard BIN range (51xxxx to 55xxxx).
2. A Chip Transaction must be authorized either online by the Issuer or for a Transaction less than or equal to USD 200 (EUR 200 in the Europe Region), a Chip Transaction may be authorized offline by the EMV chip. Floor limit Standards are provided in Chapter 5 of the *Quick Reference Booklet*.
3. Online authorization by the Issuer may occur either air-to-ground during the Transaction or in a delayed batch.
4. An authorization request must not contain a key-entered Account number or expiration date.
5. The Acquirer must convert all "refer to card issuer" and "capture card" messages received from Issuers to "decline."
6. Limit-1 processing does not apply.
7. The Issuer is liable for Transactions that are approved under acquirer MIP X-Code, up to the MIP X-Code limits specified by the Corporation.

The following requirements also apply with respect to CAT 4 devices:

1. Acquirers must ensure timely delivery and installation of the IFC Blocked Gaming File to gambling service providers. IFC Blocked Gaming File access is required before every gambling Transaction.
2. Transactions at CAT 4 devices are conducted on interactive video terminals by passengers on airline flights.
3. Use of CAT 4 devices is restricted to the following six MCCs:
  - 4899—Cable, Satellite, and Other Pay Television and Radio Services
  - 5309—Duty Free Stores

- 5964—Direct Marketing—Catalog Merchants
  - 7299—Other Services—not elsewhere classified
  - 7994—Video Game Arcades/Establishments
  - 7995—Gambling Transactions
4. For each flight, Acquirers must generate one Authorization Request/0100 message per MCC for each Account number. “Flight” is defined as one or more segments of a continuous air flight with the same flight number.
  5. The Authorization Request/0100 message must contain a Transaction category code (TCC) of U for gambling Transactions or R for any other Transactions.
  6. DE 43 must include the airline Merchant name and flight identification in subfield 1. The city field description must contain the Merchant customer service telephone number for mailed purchases and gambling Transactions; for all other CAT 4 Transactions, this information is optional. The telephone number is not required to be toll-free.
  7. For all transactions at CAT 4 devices, except mailed purchase Transactions, the Transaction date is defined as the date that the flight departs from the originating city. The Transaction date for mailed purchases is defined as the shipment date unless otherwise disclosed to the Cardholder.
  8. The Acquirer must ensure that the Merchant provides full disclosure to the Cardholder via the CAT 4 device before the initiation of any Transactions, as detailed below. The CAT 4 device must prompt the Cardholder to acknowledge these disclosure terms before initiating Transactions. Disclosure must include the following:
    - a. Full identification of the Merchant and provision for recourse in terms of Cardholder complaints or questions
    - b. Notification that Transactions will be billed upon the Issuer’s approval of the authorization request
    - c. For mailed purchase Transactions only, any additional shipping or handling charges
    - d. Policy on refunds or returns
    - e. Provision for a paper TID

For gambling Transactions (where permitted), Merchants must additionally disclose the following:

- a. Maximum winnings (USD 3,500) and maximum losses (USD 350)
  - b. Notification that the total net Transaction amount (whether a net win or loss) will be applied to the Card account
  - c. Notification that Cardholder must be at least 18 years of age to play
  - d. Notification that some Issuers may not allow gambling
9. The Acquirer must ensure that the Merchant can provide an itemized TID to the Cardholder by printing a TID at the passenger’s seat, printing a TID from a centralized printer on the plane, or mailing a TID to the Cardholder. The device must describe any mailed TID offer and, if accepted, must require the Cardholder to input his or her name and address. For gambling Transactions, the Merchant must provide a printed TID. Each TID must contain:
  - a. Identification of the passenger’s flight, seat number, and date of departure

- b. Itemized Transaction detail
  - c. Gambling Transaction specified as a net win or net loss
  - d. The truncated Card account number
10. The Acquirer must not submit declined Transactions into clearing.
11. No surcharges or service fees may be assessed on any Transaction, including gambling Transactions.

The following additional requirements apply with respect to gambling Transactions:

1. Gambling Transactions are not permitted at CAT 4 devices acquired within the Europe Region.
2. Net gambling losses cannot exceed USD 350 per flight per Account. Net payouts to Cardholders for gambling wins cannot exceed USD 3,500 per flight per Account. The Merchant must monitor losses and winnings throughout the flight to ensure compliance.
3. A gambling win Transaction will result in posting of net winnings (credit) to the Card account. Under no circumstance may winnings be paid in cash or other form of payment.
4. Before participating in gambling Activity, the Acquirer must undertake all reasonable and necessary steps to assure itself and, if requested, the Corporation, that such gambling Activity will be effected in full compliance with all applicable laws and regulations. By participating in gambling Activity, the Acquirer agrees to indemnify, defend, and hold the Corporation harmless with respect to any claim, damage, loss, fine, penalty, injury, or cause of action arising or resulting from or attributable to the Acquirer's gambling Activity.
5. The Card account number must be checked against the IFC Blocked Gaming File. Cardholders whose Card account numbers are listed on the IFC Blocked Gaming File must be prohibited from initiating gambling Transactions. Updates to the IFC Blocked Gaming File will be effective on the first and the 15th day of each month. The Corporation must receive Card account ranges or BINs that Issuers choose to list on the next effective updated IFC Blocked Gaming File at least two weeks before the effective date.
6. All gambling losses authorized post-flight must be submitted for authorization for the net amount. All gambling Transactions authorized during the flight will be for the full wager amount (USD 350 or a lower amount predetermined by the airline and gambling Merchant). No gambling wins will be submitted for authorization.
7. Gambling Transactions submitted for clearing must be for the net amount won or lost. Gambling win Transactions will be submitted as a refund Transaction (DE 3, subfield 1 must contain a value of 20). Interchange will be paid to Issuers by Acquirers on gambling win Transactions. An Acquirer may resubmit a gambling Transaction for a different amount within the specified Transaction limits if it previously was rejected for exceeding the specified Transaction limits—USD 3,500 for wins and USD 350 for losses.

The following additionally apply to CAT 4 devices:

1. There is no maximum amount limit for any Transaction at CAT 4 devices, except for gambling Transactions.
2. A CAT 4 device that also is a Hybrid POS Terminal is prohibited from performing fallback procedures from chip to magnetic stripe.
3. CAT 4 devices may support AVS and CVC 2 validation.

4. There are no chargeback restrictions for Transactions at CAT 4 devices.
5. There is no Card retention requirement for CAT 4 devices.

### **CAT Level 6: Electronic Commerce Transactions (CAT 6)**

Refer to Chapter 9, "Authorization Services Details," of the *Authorization Manual* for requirements regarding the identification of electronic commerce Transactions.

### **CAT Level 7: Transponder Transactions (CAT 7)**

The following CVM requirements apply to CAT 7 devices:

1. CAT 7 devices must accept "No CVM" as the CVM.
2. CAT 7 devices must not accept signature or PIN (online or offline) as the CVM.

The following authorization requirements apply to CAT 7 devices:

1. All magnetic stripe Transactions, regardless of amount, must be authorized online by the Issuer on a zero floor limit basis.
2. Chip Transactions must be authorized either online by the Issuer or offline by the EMV chip.
3. Limit-1 processing does not apply.
4. The Issuer is liable for Transactions that are approved under Acquirer MIP X-Code, up to the MIP X-Code limits specified by the Corporation.

The following additionally apply to CAT 7 devices:

1. There is no maximum amount limit for Transactions at CAT 7 devices.
2. A CAT 7 device that also is a Hybrid POS Terminal is prohibited from performing fallback procedures from chip to magnetic stripe.
3. CAT 7 devices may support AVS and CVC 2 validation.
4. There are no chargeback restrictions for Transactions at CAT 7 devices.
5. There is no card retention requirement for CAT 7 devices.

### **CAT Level 9: Mobile POS (MPOS) Acceptance Device Transactions (CAT 9)**

The Acquirer must submit the following values in Transaction messages for each Transaction conducted at an MPOS Terminal:

- A value of 9 (MPOS Acceptance Device) in DE 61 (Point-of-Service[POS] Data), subfield 10 (Cardholder-Activated Terminal Level) of the Authorization Request/0100 or Financial Transaction Request/0200 message; and
- A value of CT9 (MPOS Acceptance Device) in PDS 0023 (Terminal Type) of the First Presentment/1240 message.

## Appendix E Signage, Screen, and Receipt Text Display

*This appendix provides ATM Terminal and unattended POS Terminal signage, screen, and receipt text display requirements.*

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## Screen and Receipt Text Standards

Response Code	Recommended Screen Text	Recommended Receipt Text
<ul style="list-style-type: none"> <li>Format error</li> <li>Invalid acquirer</li> <li>Cardholder not on file</li> <li>Do not honor/Restricted card</li> <li>Unable to process/System error</li> <li>ATM processor inoperative</li> <li>Cardholder processor inoperative/Not found</li> </ul>	"I am sorry. I am unable to process your request. Please contact your financial institution."	"Denied Unable to Process"
<ul style="list-style-type: none"> <li>Invalid transaction</li> <li>Invalid transaction selection</li> </ul>	"I am sorry. You have selected an invalid transaction. Do you want to try another transaction?"	"Denied Invalid Transaction"
<ul style="list-style-type: none"> <li>Invalid amount</li> </ul>	"You have selected an invalid amount. Please select an amount in multiples of _____."	"Denied Invalid Amount"
<ul style="list-style-type: none"> <li>Insufficient funds</li> </ul>	"I am unable to process for insufficient funds. Please contact your financial institution."	"Denied Insufficient Funds"
<ul style="list-style-type: none"> <li>Invalid PIN</li> </ul>	"You have entered your PIN incorrectly. Do you want to try again?"	"Denied Invalid PIN"
<ul style="list-style-type: none"> <li>PIN tries exceed permitted number of attempts</li> </ul>	"You have exceeded the number of attempts permitted to enter your PIN. Please contact your financial institution."	"Denied Invalid PIN"
<ul style="list-style-type: none"> <li>Exceeds withdrawal limit</li> </ul>	"You have exceeded the withdrawal limit. Do you want to select another amount?"	"Denied Invalid Amount"
<ul style="list-style-type: none"> <li>Denied—Capture card</li> </ul>	"Your card has been retained. Please contact your financial institution."	"Denied Card Retained"

## Models for ATM Access Fee Notification at ATM Terminals

The following table sets forth minimum screen height, screen width, heading text, and body text requirements for ATM Access Fee signage and screen displays at ATM Terminals.

Object	Dimension
Screen height	Minimum of ten (10) centimeters
Screen width	Minimum of ten (10) centimeters
Heading text	Must be at least 18 point type
Body text	Must be at least 14 point type

## Models for Standard Signage Notification of an ATM Access Fee

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Each of the following model forms illustrate the standard ATM Terminal signage notification that an ATM Access Fee may be charged, including the fee amount.

### Asia/Pacific Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Asia/Pacific Region, except Australia.

Fee Notice

The owner of this terminal, (name), may charge cardholders with a card issued in a country other than (country <sup>a</sup>) a fee of (currency code <sup>b</sup>) (amount) for a cash disbursement from your account. This charge is in addition to any fees that may be assessed by your card-issuing financial institution. This additional charge will be added to the transaction amount and posted to your account.

<sup>a</sup> Insert country where ATM is located

<sup>b</sup> Insert currency code for the country where the ATM is located

### Australia

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for Australia only.

Fee Notice

The owner of this terminal, (name), may charge cardholders a fee of AUD (amount) for a cash disbursement from your account, and in addition may charge cardholders with a card issued in Australia a fee of AUD (amount) for a non-financial transaction. This charge is in addition to any fees that may be assessed by your card-issuing financial institution. This additional charge will be added to the transaction amount and posted to your account.

## Canada Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Canada Region only.

Fee Notice

The owner of this terminal, (name), may charge cardholders a fee of CAD (amount) for a cash disbursement from your account. This charge is in addition to any fees that may be assessed by your card-issuing financial institution. This additional charge will be added to the transaction amount and posted to your account.

## Europe Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Europe Region only, except the United Kingdom.

Fee Notice

The owner of this terminal, (name), may charge cardholders with a card issued in a country other than (country <sup>a</sup>) a fee of (currency code <sup>b</sup>) (amount) for a cash disbursement from your account. This charge is in addition to any fees that may be assessed by your card-issuing financial institution. This additional charge will be added to the transaction amount and posted to your account.

a Insert country where ATM is located

b Insert currency code for the country where the ATM is located

### United Kingdom

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the United Kingdom only.

Fee Notice

The owner of this terminal, (name), may charge cardholders a fee of GBP (amount) for withdrawals from your account or cash advances. This charge is in addition to any fees that may be assessed by your card-issuing financial institution. This additional charge will be added to the transaction amount and posted to your account.

## Latin America and the Caribbean Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for Latin America and the Caribbean Region except the following countries: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela.

Fee Notice

The owner of this terminal, (name),  
may charge cardholders with a card  
issued in a country other than  
(country <sup>a</sup>) a fee of (currency code <sup>b</sup>)  
(amount) for a withdrawal from  
your account or cash advances.  
This charge is in addition to any  
fees that may be assessed by your  
card-issuing financial institution.  
This additional charge will be added  
to the transaction amount and  
posted to your account.

<sup>a</sup> Insert country where ATM is located.

<sup>b</sup> Insert currency code for the country where the ATM is located.

## Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for only the following countries in the Latin America and the Caribbean Region: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela.

Fee Notice

The owner of this terminal, (name), may charge cardholders a fee of (currency code <sup>a</sup>) (amount) for a withdrawal from your account or cash advances. This charge is in addition to any fees that may be assessed by your card-issuing financial institution. This additional charge will be added to the transaction amount and posted to your account.

<sup>a</sup> Insert currency code for the country where the ATM is located.  
Argentina (ARS), Brazil (BRL), Chile (CLP), Colombia (COP),  
Ecuador (USD), Mexico (MXN), Panama (PAB or USD),  
Peru (PEN), Puerto Rico (USD), or Venezuela (VEB).

## Middle East/Africa Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the South Asia/Middle East/Africa Region.

Fee Notice

The owner of this terminal, (name), may charge cardholders with a card issued in a country other than (country <sup>a</sup>) a fee of (currency code <sup>b</sup>) (amount) for a withdrawal from your account or cash advances. This charge is in addition to any fees that may be assessed by your card-issuing financial institution. This additional charge will be added to the transaction amount and posted to your account.

<sup>a</sup> Insert country where ATM is located  
<sup>b</sup> Insert currency code for the country where the ATM is located.

## United States Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the United States only.

Fee Notice

The owner of this terminal, (name),  
may charge cardholders a fee of  
USD (amount) for a cash  
disbursement from your account.  
This charge is in addition to any  
fees that may be assessed by your  
card-issuing financial institution.  
This additional charge will be added  
to the transaction amount and  
posted to your account.

## Models for Generic Terminal Signage Notification of an ATM Access Fee

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Each of the following models illustrate the generic ATM Terminal signage notification that an ATM Access Fee may be charged.

### Asia/Pacific Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Asia/Pacific Region, except Australia.



Fee Notice

The owner of this terminal, (name), may charge cardholders with a card issued in a country other than (country <sup>a</sup>) a fee for withdrawals from your account or cash advances. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees charged by your financial institution. It will be added to the transaction amount and posted to your account.

<sup>a</sup> Insert country where ATM is located.

### Australia

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for Australia only.

Fee Notice

The owner of this terminal, (name), may charge cardholders a fee for withdrawals from your account or cash advances, and in addition may charge cardholders with a card issued in Australia a fee for a non-financial transaction. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees that may be charged by your financial institution. This additional charge will be added to the transaction amount and posted to your account.

## Canada Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Canada Region only.

Fee Notice

The owner of this terminal, (name), may charge cardholders a fee for withdrawals from your account or cash advances. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees that may be charged by your financial institution. This additional charge will be added to the transaction amount and posted to your account.

## Europe Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Europe Region only, except the United Kingdom.

Fee Notice

The owner of this terminal, (name), may charge cardholders with a card issued in a country other than (country <sup>a</sup>) a fee for withdrawals from your account or cash advances. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees that may be charged by your financial institution. This additional charge will be added to the transaction amount and posted to your account.

<sup>a</sup> Insert country where ATM is located.

### United Kingdom

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the United Kingdom only.

Fee Notice

The owner of this terminal, (name), may charge cardholders a fee for withdrawals from your account or cash advances. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees that may be charged by your financial institution. This additional charge will be added to the transaction amount and posted to your account.

## Latin America and the Caribbean Region

The following model form illustrates dimensions for ATM Terminal signage notification of an ATM Access Fee for Latin America and the Caribbean Region except the following countries: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela. Use the following dimensions.

Object	Dimension
Screen height	Minimum of ten (10) centimeters
Screen width	Minimum of ten (10) centimeters
Heading text	Must be at least 18 point type.
Body text	Must be at least 14 point type.

Fee Notice

The owner of this terminal, (name), may charge cardholders with a card issued in a country other than (country <sup>a</sup>) a fee for withdrawals from your account or cash advances. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees that may be charged by your financial institution. This additional charge will be added to the transaction amount and posted to your account.

<sup>a</sup> Insert country where ATM is located.

## Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for only the following countries in the Latin America and the Caribbean Region: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela.

### Fee Notice

The owner of this terminal, (name), may charge cardholders a fee for withdrawals from your account or cash advances. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees charged by your financial institution, will be added to the transaction amount, and posted to your account.

## Middle East/Africa Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the South Asia/Middle East/Africa Region.

### Fee Notice

The owner of this terminal, (name), may charge cardholders with a card issued in a country other than (country <sup>a</sup>) a fee for withdrawals from your account or cash advances. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees that may be charged by your financial institution. This additional charge will be added to the transaction amount and posted to your account.

<sup>a</sup> Insert country where ATM is located.

## United States Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the United States only.

Fee Notice

The owner of this terminal, (name), may charge cardholders a fee for withdrawals from your account or cash advances. The amount of this fee will be disclosed on the terminal screen prior to your completion of the transaction. This fee is in addition to any fees that may be charged by your financial institution. This additional charge will be added to the transaction amount and posted to your account.

a    Insert country where ATM is located.

b    Insert currency code for the country where the ATM is located.

---

## Models for Screen Display Notification of an ATM Access Fee

Each of the following model forms illustrate the ATM Terminal screen display notification that an ATM Access Fee will be charged if the Cardholder chooses to proceed with the Transaction.

### Asia/Pacific Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Asia/Pacific Region, except Australia.



Fee Notice

The owner of this terminal, (name),  
will charge cardholders with a card  
issued in a country other than  
(country <sup>a</sup>) (currency code <sup>b</sup>)  
(amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press —.

If you do not wish pay a fee and  
want to cancel this transaction, press  
—.

<sup>a</sup> Insert country where ATM is located.

<sup>b</sup> Insert currency code for the country where the ATM is located.

## Australia

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for Australia only.

Fee Notice

The owner of this terminal, (name),  
will charge cardholders AUD  
(amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press —.

If you do not wish pay a fee and  
want to cancel this transaction, press  
—.

## Canada Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for Canada only.

Fee Notice

The owner of this terminal, (name),  
will charge cardholders CAD  
(amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press ---.

If you do not wish pay a fee and  
want to cancel this transaction, press  
---.

## Europe Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Europe Region, except the United Kingdom.



Fee Notice

The owner of this terminal, (name),  
will charge cardholders with a card  
issued in a country other than  
(country <sup>a</sup>) (currency code <sup>b</sup>)  
(amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press —.

If you do not wish pay a fee and  
want to cancel this transaction, press  
---.

a Insert country where ATM is located.

b Insert currency code for the country where the ATM is located.

## United Kingdom

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for United Kingdom only.

Fee Notice

The owner of this terminal, (name),  
will charge cardholders GBP  
(amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press —.

If you do not wish pay a fee and  
want to cancel this transaction, press  
---.

## Latin America and the Caribbean Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the Latin America and the Caribbean Region except the following countries: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela.

Fee Notice

The owner of this terminal, (name),  
will charge cardholders with a card  
issued in a country other than  
(country <sup>a</sup>) (currency code <sup>b</sup>)  
(amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press ---.

If you do not wish pay a fee and  
want to cancel this transaction, press  
---.

a. Insert country where ATM is located.

b. Insert currency code for the country where the ATM is located.

## Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for only the following countries in the Latin America and the Caribbean Region: Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Panama, Peru, Puerto Rico, and Venezuela.

Fee Notice

The owner of this terminal, (name),  
will charge cardholders (currency  
code <sup>a)</sup> (amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press —.

If you do not wish pay a fee and  
want to cancel this transaction, press  
—.

<sup>a</sup> Insert currency code for the country where the ATM is located:  
Argentina (ARS), Brazil (BRL), Chile (CLP), Colombia (COP),  
Ecuador (USD), Mexico (MXN), Panama (PAB or USD),  
Peru (PEN), Puerto Rico (USD), or Venezuela (VEB)

## Middle East/Africa Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for the South Asia/Middle East/Africa Region.

Fee Notice

The owner of this terminal, (name),  
will charge cardholders with a card  
issued in a country other than  
(country <sup>a</sup>) (currency code <sup>b</sup>)  
(amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press ---.

If you do not wish pay a fee and  
want to cancel this transaction, press  
---.

a Insert country where ATM is located.

b Insert currency code for the country where the ATM is located.

## United States Region

The following model form illustrates ATM Terminal signage notification of an ATM Access Fee for United States only.

Fee Notice

The owner of this terminal, (name),  
will charge cardholders USD  
(amount) as its fee for the  
transaction you have chosen. This  
fee is in addition to any fees your  
card-issuing financial institution may  
charge.

If you agree to this fee and wish to  
continue, press ---.

If you do not wish pay a fee and  
want to cancel this transaction, press  
---.

---

## Model for an ATM Access Fee Transaction Receipt

---

\$100.00	Paid to Cardholder
\$ 1.00	Terminal Owners Fee
\$101.00	Withdrawal from checking

---

---

## Model Screens Offering POI Currency Conversion

---

```
YOU MAY PAY FOR THIS TRANSACTION IN YOUR HOME CURRENCY
CASH WITHDRAWAL                                GBP 50.00
ACCESS FEE                                      GBP 1.50
TOTAL AMOUNT                                  GBP 51.50
TERMINAL EXCHANGE RATE                       GBP 1.00 = EUR 1.25
TRANSACTION AMOUNT                           EUR 64.38
<<< CHARGE MY ACCOUNT GBP 51.50             CHARGE MY ACCOUNT EUR 64.38 >>>
```

### Option A, Screen 1

#### Screen 2

```
(Statement and screen may be varied or omitted subject to the agreement of the Corporation.)
I HAVE CHOSEN NOT TO USE THE MASTERCARD CURRENCY CONVERSION PROCESS AND I
WILL HAVE NO RECOURSE AGAINST MASTERCARD CONCERNING THE CURRENCY
CONVERSION OR ITS DISCLOSURE
<<< PROCEED WITH CONVERSION                 RETURN TO PREVIOUS SCREEN >>>
```

### Option B, Screen 1

```
THIS TERMINAL OFFERS CONVERSION TO YOUR HOME CURRENCY.
CASH WITHDRAWAL                                GBP 50.00
ACCESS FEE                                      GBP 1.50
TOTAL AMOUNT                                  GBP 51.50
TERMINAL EXCHANGE RATE                       GBP 1.00 = EUR 1.25
TRANSACTION AMOUNT WITH CONVERSION           EUR 64.38
                                           CONTINUE WITH CONVERSION >>>
                                           CONTINUE WITHOUT CONVERSION >>>
```

*(Statement and screen may be varied or omitted subject to the agreement of the Corporation.)*

I HAVE CHOSEN NOT TO USE THE MASTERCARD CURRENCY CONVERSION PROCESS AND I  
WILL HAVE NO RECOURSE AGAINST MASTERCARD CONCERNING THE CURRENCY  
CONVERSION OR ITS DISCLOSURE.

<<< PROCEED WITH CONVERSION                      RETURN TO PREVIOUS SCREEN >>>

Screen 2

## Model Receipt for Withdrawal Completed with POI Currency Conversion

---

CASH WITHDRAWAL	GBP 50.00
ACCESS FEE	GBP 1.50
TOTAL AMOUNT	GBP 51.50
TERMINAL EXCHANGE RATE	GBP 1.00 = EUR 1.25
TRANSACTION AMOUNT	EUR 64.38

*(The following statement may be varied or omitted subject to the agreement of the Corporation.)*

I have chosen not to use the MasterCard currency conversion process and I  
will have no recourse against MasterCard concerning the currency conversion  
or its disclosure.

---

## Definitions

The following terms used in this manual have the meanings set forth below.

### NOTE

**Additional and/or revised defined terms appear in the “Settlement and Related Obligations”; “Asia/Pacific Region”; “Canada Region”; “Europe Region”; “Latin America and the Caribbean Region”; “Middle East/Africa Region”; and “United States Region” chapters.**

---

## Acceptance Mark

Any one of the Corporation’s Marks displayed at a POI to indicate brand acceptance. See Cirrus Acceptance Mark, Maestro Acceptance Mark, MasterCard Acceptance Mark.

---

## Access Device

A device other than a Card that uses at least one Payment Application to provide access to an Account in compliance with the Standards. A Contactless Payment Device is a type of Access Device. A Cirrus Access Device, Maestro Access Device, and MasterCard Access Device is each an Access Device. *Also see Mobile Payment Device.*

---

## Account

An account maintained by or on behalf of a Cardholder by an Issuer for the processing of Transactions, and which is identified with a bank identification number (BIN) or Issuer identification number (IIN) designated by the Corporation in its routing tables for routing to the Interchange System. See Cirrus Account, Maestro Account, MasterCard Account.

---

## Account PAN

The primary account number (PAN) allocated to an Account by an Issuer.

---

## Account PAN Range

The range of Account PANs designated by an Issuer for Digitization.

## **Acquirer**

---

A Customer in its capacity as an acquirer of a Transaction.

## **Activity(ies)**

---

The undertaking of any act that can be lawfully undertaken only pursuant to License by the Corporation.

## **Affiliate Customer, Affiliate**

---

A Customer that participates indirectly in Activity through the Sponsorship of a Principal or, solely with respect to MasterCard Activity, through the Sponsorship of an Association. An Affiliate may not Sponsor any other Customer.

## **Area of Use**

---

The country or countries in which a Customer is Licensed to use the Marks and conduct Activity, and, as a rule, set forth in the License or in an exhibit to the License.

## **Association Customer, Association**

---

A MasterCard Customer that participates directly in MasterCard Activity using its assigned BINs and which may Sponsor one or more MasterCard Affiliates but may not directly issue MasterCard Cards or acquire MasterCard Transactions without the express prior written consent of the Corporation.

## **ATM Access Fee**

---

A fee charged by an Acquirer in connection with a cash withdrawal or Shared Deposit initiated at the Acquirer's ATM Terminal with a Card, and added to the total Transaction amount transmitted to the Issuer.

## **ATM Owner Agreement**

---

An agreement between an ATM owner and a Customer that sets forth the terms pursuant to which the ATM accepts Cards.



## Automated Teller Machine (ATM)

---

An unattended self-service POI device that performs basic banking functions such as accepting deposits, cash withdrawals, ordering transfers among accounts, loan payments and account balance inquiries.

## ATM Terminal

---

An ATM that enables a Cardholder to effect a Transaction with a Card in accordance with the Standards.

## ATM Transaction

---

A cash withdrawal effected at an ATM Terminal with a Card and processed through the MasterCard ATM Network. An ATM Transaction is identified with MCC 6011 (Automated Cash Disbursements—Customer Financial Institution).

## Brand Fee

---

A fee charged for certain Transactions not routed to the Interchange System.

## Brand Mark

---

A Word Mark as a custom lettering legend placed within the Corporation's interlocking circles device. The MasterCard Brand Mark, Maestro Brand Mark, and Cirrus Brand Mark is each a Brand Mark.

## Card

---

A card issued by a Customer pursuant to License and in accordance with the Standards and that provides access to an Account. Unless otherwise stated herein, Standards applicable to the use and acceptance of a Card are also applicable to an Access Device and, in a Card-not-present environment, an Account. A Cirrus Card, Maestro Card, and MasterCard Card is each a Card.

## Cardholder

---

The authorized user of a Card or Access Device issued by a Customer.

## Cardholder Communication

---

Any communication by or on behalf of an Issuer to a Cardholder or prospective Cardholder. A Solicitation is one kind of Cardholder Communication.

## Cardholder Verification Method (CVM)

---

A process used to confirm that the person presenting the Card is the genuine Cardholder. The Corporation deems the following to be valid CVMs when conducted in accordance with the Standards:

- The comparison, by the Merchant or Acquirer accepting the Card, of the signature on the Card's signature panel with the signature provided on the Transaction receipt by the person presenting the Card;
- The comparison, by the Card Issuer or the EMV chip on the Card, of the value entered on a Terminal's PIN pad with the personal identification number (PIN) given to or selected by the Cardholder upon Card issuance; and
- On-device Cardholder verification.

In certain Card-present environments, a Merchant may complete the Transaction without a CVM ("no CVM" as the CVM), such as in Quick Payment Service (QPS) Transactions, Contactless Transactions less than or equal to the CVM limit, and Transactions at an unattended POS Terminal identified as Cardholder-activated Terminal (CAT) Level 2 or Level 3.

## Chip Card (Smart Card, Integrated Circuit Card, IC Card, or ICC)

---

A Card with an embedded EMV-compliant chip containing memory and interactive capabilities used to identify and store additional data about a Cardholder, an Account, or both.

## Chip-only MPOS Terminal

---

An MPOS Terminal that has a contact chip reader and no magnetic stripe-reading capability and that must:

1. Operate as an online-only POS Terminal for authorization purposes;
2. Support either signature or No CVM Required as a Cardholder verification method, and may also support PIN verification if conducted by means of a PIN entry device (PED) that is in compliance with the Payment Card Industry (PCI) POS PED Security Requirements and Evaluation Program; and
3. Otherwise comply with the Corporation's requirements for Hybrid POS Terminals.

## Chip Transaction

---

A Contact Chip Transaction or a Contactless Chip Transaction.

## Cirrus Acceptance Mark

---

A Mark consisting of the Cirrus Brand Mark placed on the dark blue acceptance rectangle, available at [www.mastercardbrandcenter.com](http://www.mastercardbrandcenter.com).

## Cirrus Access Device

---

An Access Device that uses at least one Cirrus Payment Application to provide access to a Cirrus Account when used at an ATM Terminal or PIN-based In-Branch Terminal.

## Cirrus Account

---

An account eligible to be a Cirrus Account, as set forth in Rule 6.1.3.2 of the *MasterCard Rules* manual, and identified with a BIN/IIN associated with a Portfolio designated by the Corporation as a Cirrus Portfolio in its routing tables.

## Cirrus Brand Mark

---

A Mark consisting of the Cirrus Word Mark as a custom lettering legend placed within the Corporation's interlocking circles device. The Corporation is the exclusive owner of the Cirrus Brand Mark.

## Cirrus Card

---

A Card that provides access to a Cirrus Account.

## Cirrus Customer

---

A Customer that has been granted a Cirrus License in accordance with the Standards.

## Cirrus Word Mark

---

A Mark consisting of the word "Cirrus" followed by a registered trademark ® or ™ symbol (depending on its trademark status in a particular country) or the local law equivalent.

“Cirrus” must appear in English and be spelled correctly, with the letter “C” capitalized. “Cirrus” must not be abbreviated, hyphenated, used in the plural or possessive, or translated from English into another language. The Corporation is the exclusive owner of the Cirrus Word Mark.

## **Competing ATM Network**

---

A Competing International ATM Network or a Competing North American ATM Network, as the case may be.

## **Competing International ATM Network**

---

A network of ATMs and payment cards, other than the Corporation, identified by a common brand mark that is used exclusively or primarily for ATM interchange that:

1. Operates in at least three countries;
2. Uses a common service mark or marks to identify the ATMs and payment cards which provide account access through it; and
3. Provides account access to at least 40,000,000 debit cards and by means of at least 25,000 ATMs.

## **Competing EFT POS Network**

---

A network, other than any network owned and operated by the Corporation, which provides access to Maestro Accounts at POS Terminals by use of payment cards and has the following characteristics:

1. It provides a common service mark or marks to identify the POS Terminal and payment cards, which provide Maestro Account access;
2. It is not an affiliate of the Corporation; and
3. It operates in at least one country in which the Corporation has granted a License or Licenses.

The following networks are designated without limitation to be Competing EFT POS Networks: Interlink; Electron; and V-Pay.

## **Competing North American ATM Network**

---

A network of ATMs and access cards, other than the Corporation, identified by a common brand mark that is used exclusively or primarily for ATM interchange and that possesses each of the following characteristics:

1. It operates in at least 40 of the states or provinces of the states and provinces of the United States and Canada;
2. It uses a common service mark or common service marks to identify the terminals and cards which provide account access through it;
3. There are at least 40,000,000 debit cards that provide account access through it; and
4. There are at least 12,000 ATMs that provide account access through it.

---

## Contact Chip Transaction

---

A Transaction in which data is exchanged between the Chip Card and the Terminal through the reading of the chip using the contact interface, in conformance with EMV specifications.

---

## Contactless Payment Device

---

A means other than a Card by which a Cardholder may access an Account at a Terminal in accordance with the Standards. A Contactless Payment Device is a type of Access Device that exchanges data with the Terminal by means of radio frequency communications. *Also see* Mobile Payment Device.

---

## Contactless Chip Transaction, Contactless Transaction

---

A Transaction in which data is exchanged between the Chip Card or Access Device and the Terminal through the reading of the chip using the contactless interface, by means of radio frequency communications. MasterCard *PayPass* Magnetic Stripe Profile Transactions, MasterCard *PayPass-M/Chip* Transactions and Maestro *PayPass* Transactions are Contactless Chip Transactions. "Contactless Transaction" is an alternative term for Contactless Chip Transaction.

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## Control, Controlled

---

As used herein, Control has such meaning as the Corporation deems appropriate in its sole discretion given the context of the usage of the term and all facts and circumstances the Corporation deems appropriate to consider. As a general guideline, Control often means to have, alone or together with another entity or entities, direct, indirect, legal, or beneficial possession (by contract or otherwise) of the power to direct the management and policies of another entity.

## Corporation

---

MasterCard International Incorporated, Maestro International Inc., and their subsidiaries and affiliates. As used herein, Corporation also means the President and Chief Executive Officer of MasterCard International Incorporated, or his or her designee, or such officers or other employees responsible for the administration and/or management of a program, service, product, system or other function. Unless otherwise set forth in the Standards, and subject to any restriction imposed by law or regulation, or by the Board of Directors of MasterCard International Incorporated, or by the MasterCard International Incorporated Certificate of Incorporation or the MasterCard Incorporated Certificate of Incorporation (as each such Certificate of Incorporation may be amended from time to time), each such person is authorized to act on behalf of the Corporation and to so act in his or her sole discretion.

## Cross-border Transaction

---

A Transaction that originates via a Point-of-Interaction (POI) Terminal located in a different country from the country in which the Card was issued.

## Customer

---

A financial institution or other entity that has been approved for Participation. A Customer may be a Principal, Association, or Affiliate. Also see Cirrus Customer, Maestro Customer, MasterCard Customer, Member.

## Customer Report

---

Any report a Customer is required to provide the Corporation, whether on a one-time or repeated basis, pertaining to its License, Activities, use of any Mark, or any such matters. By way of example and not limitation, the Quarterly MasterCard Report (QMR) is a Customer Report.

## Data Storage Entity (DSE)

---

A Service Provider that performs any one or more of the services described in Rule 7.1 of the *MasterCard Rules* manual as DSE Program Service.

## Device Binding

---

The process by which a Wallet Token Requestor binds a MasterCard Token corresponding to a Cardholder's Account to that Cardholder's Mobile Payment Device, which may consist of:

- The provisioning of the Token and its associated encryption keys into the secure element within the Mobile Payment Device;
- The loading of an application for a remotely-managed secure server into the Mobile Payment Device and the successful communication of the device with the application; or
- Other methodology acceptable to the Corporation.

---

## Digital Wallet Operator (DWO)

A Service Provider that performs any one or more of the services described in Rule 7.1 of the *MasterCard Rules* manual as DWO Program Service. Also see Staged Digital Wallet Operator and Pass-through Digital Wallet Operator.

---

## Digital Wallet Operator Mark, DWO Mark

A mark identifying a particular Pass-through Digital Wallet and/or Staged Digital Wallet, and which may be displayed at the POI to denote that a retailer, or any other person, firm, or corporation, accepts payments effected by means of that Pass-through Digital Wallet and/or Staged Digital Wallet. A “Staged DWO Mark” and a “Pass-through DWO Mark” are both types of DWO Marks.

---

## Digitization, Digitize

Data preparation performed on the Issuer’s behalf prior to the provisioning of Account credentials, in the form of a MasterCard Token, onto a connected Mobile Payment Device or into a Host Card Emulation (HCE) server after Identification & Verification (ID&V). Digitization includes Tokenization.

---

## Domestic Transaction

See Intracountry Transaction.

---

## Dual Interface Hybrid POS Terminal

A Hybrid POS Terminal that is capable of processing Contactless Chip Transactions by means of its contactless interface and Contact Chip Transactions by means of its contact interface. Dual Interface Hybrid POS Terminals include, but are not limited to, those which support mobile contactless chip Transactions by means of near field communications (NFC) technology.

## Electronic Money

---

Electronically (including magnetically) accessed monetary value as represented by a claim on the Electronic Money Issuer which:

1. Is issued on receipt of funds for the purpose of making transactions with payment cards; and
2. Is accepted by the Electronic Money Issuer or a person other than the Electronic Money Issuer.

## Electronic Money Issuer

---

An Electronic Money Institution with respect only to its issuing activities.

## Electronic Money Institution

---

An entity authorized by applicable regulatory authority or other government entity as an “electronic money institution”, “e-money institution”, “small electronic money institution”, or any other applicable qualification under which an entity is authorized to issue or acquire Electronic Money transactions under applicable law or regulation.

## EMV Mode Contactless Transaction

---

A Contactless Transaction in which the Terminal and the chip exchange data, enabling the chip to approve the Transaction offline on the Issuer’s behalf or to request online authorization from the Issuer, in compliance with the Standards.

## Gateway Customer

---

A Customer that uses the Gateway Processing service.

## Gateway Processing

---

A service that enables a Customer to forward a Gateway Transaction to and/or receive a Gateway Transaction from the MasterCard ATM Network®.



## Gateway Transaction

---

An ATM transaction effected with a payment card or other access device not bearing a Mark that is processed through or using the MasterCard ATM Network®.

## Host Card Emulation (HCE)

---

The presentation on a Mobile Payment Device of a virtual and exact representation of a Chip Card using only software on the Mobile Payment Device and occurring by means of its communication with a secure remote server.

## Hybrid

---

A Terminal, including any POS or MPOS Terminal (“Hybrid POS Terminal”, “Hybrid MPOS Terminal”), ATM Terminal (“Hybrid ATM Terminal”), or PIN-based In-Branch Terminal (“Hybrid PIN-based In-Branch Terminal”), that:

1. Is capable of processing both chip Transactions and magnetic stripe Transactions;
2. Has the equivalent hardware, software, and configuration as a Terminal with full EMV Level 1 and Level 2 type approval status with regard to the chip technical specifications; and
3. Has satisfactorily completed the Corporation’s Terminal Integration Process (TIP) in the appropriate environment of use.

## Independent Sales Organization (ISO)

---

A Service Provider that performs any one or more of the services described in Rule 7.1 of the *MasterCard Rules* manual as ISO Program Service.

## Interchange System

---

The computer hardware and software operated by and on behalf of the Corporation for the routing, processing, and settlement of Transactions including, without limitation, the MasterCard Network, the MasterCard ATM Network, the Dual Message System, the Single Message System, the Global Clearing Management System (GCMS), and the Settlement Account Management (SAM) system.

## **Interregional Transaction**

---

A Transaction that originates via a Terminal located in a different Region from the Region in which the Card was issued.

## **Intracountry Transaction**

---

A Transaction that originates via a Terminal located in the same country as the country in which the Card was issued. A Transaction conducted with a Card bearing one or more of the Brand Marks, either alone or in combination with the marks of another payment scheme, and processed as a Transaction, as shown by the Card type identification in the Transaction record, via either the Interchange System or a different network, qualifies as an Intracountry Transaction. “Domestic Transaction” is an alternative term for Intracountry Transaction.

## **Intraregional Transaction**

---

A Transaction that occurs at a Terminal located in a different country from the country in which the Card was issued, within the same Region.

## **Issuer**

---

A Customer in its capacity as an issuer of a Card or Account.

## **License, Licensed**

---

The contract between the Corporation and a Customer granting the Customer the right to use one or more of the Marks in accordance with the Standards. To be “Licensed” means to have such a right pursuant to a License.

## **Licensee**

---

A Customer or other person authorized in writing by the Corporation to use one or more of the Marks.

## **Maestro**

---

Maestro International Incorporated, a Delaware U.S.A. corporation or any successor thereto.

## Maestro Acceptance Mark

---

A Mark consisting of the Maestro Brand Mark placed on the dark blue acceptance rectangle, as available at [www.mastercardbrandcenter.com](http://www.mastercardbrandcenter.com).

## Maestro Access Device

---

An Access Device that uses at least one Maestro Payment Application to provide access to a Maestro Account when used at a Terminal.

## Maestro Account

---

An account eligible to be a Maestro Account, as set forth in Rule 6.1.2.1 of the *MasterCard Rules* manual, and identified with a BIN/IIN associated with a Portfolio designated by the Corporation as a Maestro Portfolio in its routing tables.

## Maestro Brand Mark

---

A Mark consisting of the Maestro Word Mark as a custom lettering legend placed within the Corporation's interlocking circles device. The Corporation is the exclusive owner of the Maestro Brand Mark.

## Maestro Card

---

A Card that provides access to a Maestro Account.

## Maestro Customer

---

A Customer that has been granted a Maestro License in accordance with the Standards.

## Maestro Word Mark

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A Mark consisting of the word "Maestro" followed by a registered trademark ® or ™ symbol (depending on its trademark status in a particular country) or the local law equivalent. "Maestro" must appear in English and be spelled correctly, with the letter "M" capitalized. "Maestro" must not be abbreviated, hyphenated, used in the plural or possessive, or translated from English into another language. Maestro is the exclusive owner of the Maestro Word Mark.

## Magnetic Stripe Mode Contactless Transaction

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A Contactless Transaction in which the Terminal receives static and dynamic data from the chip and constructs messages that can be transported in a standard magnetic stripe message format, in compliance with the Standards.

## Manual Cash Disbursement Transaction

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A disbursement of cash performed upon the acceptance of a MasterCard Card or, at a PIN-based In-Branch Terminal, a Maestro or Cirrus Card by a Customer financial institution teller. A Manual Cash Disbursement Transaction is identified with MCC 6010 (Manual Cash Disbursements—Customer Financial Institution).

## Marks

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The names, logos, trade names, logotypes, trademarks, service marks, trade designations, and other designations, symbols, and marks that the Corporation owns, manages, licenses, or otherwise Controls and makes available for use by Customers and other authorized entities in accordance with a License. A “Mark” means any one of the Marks.

## MasterCard

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MasterCard International Incorporated, a Delaware U.S.A. corporation.

## MasterCard Acceptance Mark

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A Mark consisting of the MasterCard Brand Mark placed on the dark blue acceptance rectangle, as available at [www.mastercardbrandcenter.com](http://www.mastercardbrandcenter.com).

## MasterCard Access Device

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An Access Device that uses at least one MasterCard Payment Application to provide access to a MasterCard Account when used at a Terminal.

## MasterCard Account

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Any type of account (credit, debit, prepaid, commercial, etc.) identified as a MasterCard Account with a primary account number (PAN) that begins with a BIN in the range of 510000 to 559999.

## **MasterCard-branded Application Identifier (AID)**

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Any of the Corporation's EMV chip application identifiers for MasterCard, Maestro, and Cirrus Payment Applications as defined in the *MIChip Requirements* manual.

## **MasterCard Brand Mark**

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A Mark consisting of the MasterCard Word Mark as a custom lettering legend placed within the MasterCard Interlocking Circles Device. The Corporation is the exclusive owner of the MasterCard Brand Mark.

## **MasterCard Card**

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A Card that provides access to a MasterCard Account.

## **MasterCard Customer**

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A Customer that has been granted a MasterCard License in accordance with the Standards. *Also see Member.*

## **MasterCard Europe**

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MasterCard Europe sprl, a Belgian private limited liability (company).

## **MasterCard Incorporated**

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MasterCard Incorporated, a Delaware U.S.A. corporation.

## **MasterCard Token**

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A Token allocated from a MasterCard Token Account Range that the Corporation has designated to an Issuer and that corresponds to an Account PAN for which the Issuer's Cardholder has requested Digitization. The Corporation exclusively owns all right, title and interest in any MasterCard Token.

## MasterCard Token Account Range

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A Bank Identification Number (BIN) or portion of a BIN (“BIN range”) designated by the Corporation to an Issuer for the allocation of MasterCard Tokens in a particular Token Implementation. A MasterCard Token Account Range must be designated from a BIN reserved for the Corporation by the ISO Registration Authority and for which the Corporation is therefore the “BIN Controller,” as such term is defined in the EMV Payment Tokenization Specification Technical Framework (also see the term “Token BIN Range” in that document). A MasterCard Token Account Range is identified in the Corporation’s routing tables as having the same attributes as the corresponding Account PAN Range.

## MasterCard Word Mark

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A Mark consisting of the word “MasterCard” followed by a registered trademark ® symbol or the local law equivalent. “MasterCard” must appear in English and be spelled correctly, with the letters “M” and “C” capitalized. “MasterCard” must not be abbreviated, hyphenated, used in the plural or possessive, or translated from English into another language. The Corporation is the exclusive owner of the MasterCard Word Mark.

## Member, Membership

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A financial institution or other entity that is approved to be a MasterCard Customer in accordance with the Standards and which, as a MasterCard Customer, has been granted membership (“Membership”) in and has become a member (“Member”) of the Corporation. “Membership” also means “Participation”.

## Merchandise Transaction

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The purchase by a Cardholder of merchandise or a service, but not currency, in an approved category at an ATM Terminal and dispensed or otherwise provided by such ATM Terminal. A Merchandise Transaction is identified with MCC 6012 (Merchandise and Services—Customer Financial Institution), unless otherwise specified.

## Merchant

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A retailer, or any other person, firm or corporation that, pursuant to a Merchant Agreement, agrees to accept Cards when properly presented.

## Merchant Agreement

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An agreement between a Merchant and a Customer that sets forth the terms pursuant to which the Merchant is authorized to accept Cards.

## Mobile Payment Device

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A Cardholder-controlled mobile phone containing a Payment Application compliant with the Standards, and which uses an integrated keyboard and screen to access an Account. A Mobile Payment Device is a type of Contactless Payment Device.

## Mobile POS (MPOS) Terminal

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An MPOS Terminal enables a mobile device to be used as a POS Terminal. Card “reading” and software functionality that meets the Corporation’s requirements may reside within the mobile device, on a server accessed by the mobile device, or in a separate accessory connected (such as via Bluetooth or a USB port) to the mobile device. The mobile device may be any multi-purpose mobile computing platform, including, by way of example and not limitation, a feature phone, smart phone, tablet, or personal digital assistant (PDA).

## On-Device Cardholder Verification

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A CVM whereby the Cardholder’s mobile-specific credentials for accessing an Account (for example, a numeric passcode) are verified by means of an application on the Cardholder’s Mobile Payment Device.

## Ownership, Owned

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As used herein, ownership has such meaning as the Corporation deems appropriate in its sole discretion given the context of the usage of the term in all facts and circumstances the Corporation deems appropriate to consider. As a general guideline, ownership often means to own indirectly, legally, or beneficially more than fifty percent (50%) of an entity.

## Participation

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The right to participate in Activity granted to a Customer by the Corporation. For a MasterCard Customer, Participation is an alternative term for Membership.

## **Pass-through Digital Wallet**

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Functionality by which the Pass-through Digital Wallet Operator stores MasterCard or Maestro Account data provided by the Cardholder to the DWO for purposes of effecting a payment initiated by the Cardholder to a Merchant or Submerchant, and upon the performance of a Transaction, transfers the Account data to the Merchant or Submerchant or to its Acquirer or the Acquirer's Service Provider.

## **Pass-through Digital Wallet Operator (DWO)**

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The operator of a Pass-through Digital Wallet.

## **Payment Application**

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The magnetic stripe or M/Chip functionality that stores Account data on or in a Card or Contactless Payment Device and enables the reading and/or transmission of such data to a Terminal via a contact or contactless interface to effect a Transaction, in accordance with the Standards. A MasterCard Payment Application, Maestro Payment Application, and Cirrus Payment Application is each a Payment Application.

## **Payment Facilitator**

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A Merchant registered by an Acquirer to facilitate Transactions on behalf of Submerchants. Unless otherwise stated herein, any reference to Merchants encompasses Payment Facilitators and Submerchants. The Standards applicable to a Merchant are applicable to a Payment Facilitator and a Submerchant.

## **PIN-based In-Branch Terminal**

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An attended POI device, located on the premises of a Customer or other financial institution designated as its authorized agent by the Corporation, that facilitates a cash withdrawal Transaction by a Cardholder.

## **Point of Interaction (POI)**

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The location at which a Transaction occurs, as determined by the Corporation.



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## Portfolio

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All Cards issued bearing the same major industry identifier, BIN/IIN, and any additional digits that uniquely identify Cards for routing purposes.

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## Point-of-Sale (POS) Terminal

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An attended or unattended POI device located in or at a Merchant's premises that enables a Cardholder to effect a Transaction for the purchase of products or services sold by such Merchant with an Access Device, in accordance with the POS Terminal security and other applicable Standards.

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## POS Transaction

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The sale of products or services by a Merchant to a Cardholder pursuant to acceptance of a Card by the Merchant. A POS Transaction may be a Card-present Transaction taking place in a face-to-face environment or at an unattended POS Terminal, or a Card-not-present Transaction taking place in a non-face-to-face environment (for example, an e-commerce, mail order, phone order, or recurring payment Transaction).

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## Principal Customer, Principal

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A Customer that participates directly in Activity using its assigned BINs/IINs and which may Sponsor one or more Affiliates.

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## Processed Transaction

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A Transaction for which:

- The Issuer or its agent approved the Acquirer's request to proceed ("authorization") by means of the Interchange System, unless both the Terminal and the chip approved the offline authorization of a chip Transaction;
- The exchange of Transaction record data between Customers ("clearing") occurred by means of the Interchange System; and
- The exchange of funds between Customers ("settlement") occurred by means of the Interchange System.

## Program

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A Customer's Card issuing program, Merchant acquiring program, ATM Terminal acquiring program, or all.

## Program Service

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Any service described in Rule 7.1 of the *MasterCard Rules* manual or elsewhere in the Standards that directly or indirectly supports a Program and regardless of whether the entity providing the service is registered as a Service Provider of one or more Customers. The Corporation has the sole right to determine whether a service is a Program Service.

## Region

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A geographic region as defined by the Corporation from time to time. See Appendix A of the *MasterCard Rules* manual.

## Remote Transaction

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A non-face-to-face POS Transaction performed partially or wholly by means of electronic communication, such as via phone order, the Internet, text messaging, facsimile, or the like.

## Rules

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The Standards set forth in this manual.

## Service Provider

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A person that performs Program Service. The Corporation has the sole right to determine whether a person is or may be a Service Provider and if so, the category of Service Provider. A Service Provider is an agent of the Customer that receives or otherwise benefits from Program Service, whether directly or indirectly, performed by such Service Provider.

## Service Provider Registration Facilitator

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A Service Provider that performs Service Provider identification and registration services.

## Settlement Obligation

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A financial obligation of a Principal or Association Customer to another Principal or Association Customer arising from a Transaction.

## Shared Deposit Transaction

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A deposit to a savings Account or checking Account conducted at an ATM Terminal located in the U.S. Region, initiated with a Card issued by a U.S. Region Customer other than the Acquirer, and processed through the MasterCard ATM Network.

## Solicitation, Solicit

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An application, advertisement, promotion, marketing communication, or the like intended to solicit the enrollment of a person as a Cardholder or as a Merchant. To “Solicit” means to use a Solicitation.

## Special Issuer Program

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Issuer Activity the Corporation deems may be undertaken only with the express prior consent of the Corporation. As of the date of the publication of these Rules, Special Issuer Programs include Affinity Card Programs, Co-Brand Card Programs, and Prepaid Card Program, and with respect to MasterCard Activity only, Brand Value Transaction and proprietary account, Remote Transaction MasterCard Account, and secured MasterCard Card Programs.

## Sponsor, Sponsorship

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The relationship described in the Standards between a Principal or Association and an Affiliate that engages in Activity indirectly through the Principal or Association. In such event, the Principal or Association is the Sponsor of the Affiliate and the Affiliate is Sponsored by the Principal or Association. “Sponsorship” means the Sponsoring of a Customer.

## Staged Digital Wallet

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Functionality by which the Staged Digital Wallet Operator effects a two-stage payment to a retailer to complete a purchase initiated by a consumer, as follows:

- **Payment stage**—In the payment stage, the Staged DWO pays the retailer by means of:

- A transaction conducted using MasterCard or Maestro Account or other account data assigned to the consumer by the DWO or by an issuer, acting for or on behalf of the DWO (herein, a “consumer-assigned payment account”); or
- A funds transfer to an account held by the Staged DWO for or on behalf of the retailer.
- **Funding stage**—In the funding stage, the Staged DWO uses MasterCard or Maestro Account or other account data provided to the Staged DWO by the consumer (herein, the “funding account”) to perform a transaction that funds or reimburses the Staged Digital Wallet.

Neither the retailer nor, if the retailer is a Merchant, its Acquirer or the Acquirer’s Service Provider receives MasterCard or Maestro Account data and other information identifying the network brand and payment card issuer for the funding account.

## Staged Digital Wallet Operator (DWO)

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The operator of a Staged Digital Wallet.

## Standards

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The Amended and Restated Certificate of Incorporation and the bylaws, operating rules, regulations, policies, and procedures of the Corporation, including but not limited to any manuals, guides or bulletins, as may be amended from time to time.

## Stand-In Parameters

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A set of authorization requirements established by the Corporation or the Issuer that are accessed by the Interchange System using the Stand-In Processing Service to determine the appropriate responses to authorization requests.

## Stand-In Processing Service

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A service offered by the Corporation in which the Interchange System authorizes or declines Transactions on behalf of and uses Stand-In Parameters provided by the Issuer (or in some cases, by the Corporation). The Stand-In Processing Service responds only when the Issuer is unavailable, the Transaction cannot be delivered to the Issuer, or the Issuer exceeds the response time parameters set by the Corporation.

## Sub-licensee

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A person authorized in writing to use a Mark either by a Licensee in accordance with the Standards or by the Corporation.

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## Submerchant

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A merchant that, pursuant to an agreement with a Payment Facilitator, is authorized to accept Cards when properly presented.

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## Token

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A numeric value that (i) is a surrogate for the primary account number (PAN) used by a payment card issuer to identify a payment card account; (ii) is issued in compliance with the EMV Payment Tokenization Specification Technical Framework; and (iii) passes the basic validation rules for a PAN, including the Luhn Formula for Computing Modulus 10 Check Digit. Also see MasterCard Token.

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## Tokenization, Tokenize

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The process by which a MasterCard Token replaces an Account PAN.

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## Token Requestor

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An entity that requests the replacement of Account PANs with MasterCard Tokens. See Wallet Token Requestor.

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## Submerchant Agreement

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An agreement between a Submerchant and a Payment Facilitator that sets forth the terms pursuant to which the Submerchant is authorized to accept Cards.

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## Terminal

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Any attended or unattended device that meets the Corporation requirements for the electronic capture and exchange of Card data and that permits a Cardholder to effect a Transaction in accordance with the Standards. An ATM Terminal, PIN-based In-Branch Terminal, and POS Terminal is each a type of Terminal.

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## Third Party Processor (TPP)

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A Service Provider that performs any one or more of the services described in Rule 7.1 of the *MasterCard Rules* manual as TPP Program Service.

## Transaction

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A financial transaction arising from the proper acceptance of an Access Device or Account at a Card acceptance location and identified in messages with a Card Program identifier. See ATM Transaction, Manual Cash Disbursement Transaction, Merchandise Transaction, POS Transaction, Shared Deposit Transaction.

## Volume

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The aggregate financial value of a group of Transactions. "Volume" does not mean the number of Transactions.

## Wallet Provider

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See Wallet Token Requestor.

## Wallet Token Requestor

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A DWO that, upon the request of a Cardholder for Digitization, including Tokenization, of an Account PAN, invokes Identification & Verification (ID&V) and Device Binding; also called a "Wallet Provider". A Wallet Token Requestor is a type of Token Requestor.

## Word Mark

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A Mark consisting of the name of one of the Corporation's brands followed by a registered trademark ® or ™ symbol (depending on its trademark status in a particular country) or the local law equivalent. See Cirrus Word Mark, Maestro Word Mark, MasterCard Word Mark.